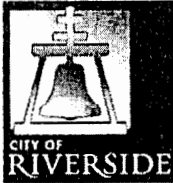


EXHIBIT CC

**INCLUSIVENESS, COMMUNITY ENGAGEMENT,
AND GOVERNMENTAL PROCESSES COMMITTEE**



City of Arts & Innovation

MINUTES

WEDNESDAY, OCTOBER 7, 2020, 3:30 P.M.
VIRTUAL MEETING
TELEPHONE PUBLIC COMMENT

PRESENT: Chair Melendrez, Vice-Chair Fierro, and Member Conder

ABSENT: None

STAFF PRESENT: Colleen Nicol, Kristi Smith, Susan Wilson, Lea Deesing, Todd Corbin, Scott Brosious, Nick Rice, Trevor Kamhiriri, and Caleb Ragan

Chair Melendrez convened the meeting at 3:30 p.m.

SETTING OF CAMPAIGN CONTRIBUTION LIMITS PURSUANT TO ASSEMBLY BILL 571

Following discussion, it was moved by Vice-Chair Fierro and seconded by Member Conder to recommend that the City Council request the City Attorney to draft an ordinance declaring no contribution limits for City offices effective following the November 3, 2020, election. The motion carried unanimously.

BOARD OF PUBLIC UTILITIES AWARD OF PROFESSIONAL SERVICES AGREEMENTS

Following discussion, it was moved by Member Conder and seconded by Vice-Chair Fierro recommending that the City Council (1) receive and order filed the report as to the Charter authority of the Board of Public Utilities to award professional services agreements; (2) forward the matter to add award of professional services contracts by the Board of Public Utilities to the Charter Review Committee scope of work; and (3) seek an outside legal opinion on Charter Section 1202 regarding powers and duties of the Board of Public Utilities. The motion carried unanimously.

ORAL COMMUNICATIONS FROM THE AUDIENCE

Jason Hunter spoke regarding Charter Committee review of Board of Public Utilities approval of professional services contracts.

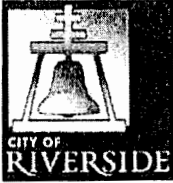
ITEMS FOR FUTURE COMMITTEE CONSIDERATION

There were no items requested for consideration at a future meeting.

The meeting adjourned at 4:09 p.m.

ICGC-7

INCLUSIVENESS, COMMUNITY ENGAGEMENT,
AND GOVERNMENTAL PROCESSES COMMITTEE



City of Arts & Innovation

MINUTES

WEDNESDAY, OCTOBER 7, 2020, 3:30 P.M.
VIRTUAL MEETING
TELEPHONE PUBLIC COMMENT

Respectfully submitted,



COLLEEN J. NICOL
City Clerk

ICGC-8



City of Arts & Innovation

Inclusiveness, Community Engagement and Governmental Processes Committee Memorandum

TO: INCLUSIVENESS, COMMUNITY ENGAGEMENT, AND GOVERNMENTAL PROCESSES COMMITTEE **DATE: OCTOBER 7, 2020**

FROM: CITY ATTORNEY'S OFFICE **WARDS: ALL**

SUBJECT: CHARTER AUTHORITY OF THE BOARD OF PUBLIC UTILITIES TO AWARD PROFESSIONAL SERVICES AGREEMENTS

ISSUE:

Receive a report on whether the Riverside City Charter, as amended by Measure MM, authorizes the Board of Public Utilities to award professional services agreements.

RECOMMENDATION:

That the Inclusiveness, Community Engagement, and Governmental Processes Committee receive a report as to the Charter authority of the Board of Public Utilities to award professional services agreements.

DISCUSSION:

Councilmember Conder requested that staff review whether the City Charter, as amended by Measure MM, authorizes the Board of Public Utilities ("Board") to award professional services agreements. The City Charter authorizes the Board to award professional services agreements for the reasons set forth below.

Riverside City Charter section 1202 sets forth the powers and duties of the Riverside Board of Public Utilities ("Board"). Section 1202(b) provides the following (emphasis added):

(b) Authorize, and let public works contracts in compliance with Section 1109, within the limits of the budget of the Department of Public Utilities, any purchase of equipment, materials, supplies, goods or services, or any acquisition, construction, improvement, extension, enlargement, diminution, or curtailment of all or any part of any public utility system when the amount exceeds \$50,000, and authorize the City Manager, or his designee, to execute contracts or issue purchase orders for the same.

This section of the City Charter was amended by Measure MM, which was approved by City voters on November 2, 2004. Here is that amendment to the City Charter, as shown in **bold**:

(b) Authorize, **and let public works contracts in compliance with Section 1109**, within the limits of the budget of the department of public utilities, any purchase of equipment, materials, supplies, **goods or services**, or any acquisition, construction, improvement, extension, enlargement, diminution, or curtailment of all or any part of any public utility system when the amount exceeds \$50,000, **and authorize the City Manager, or his designee, to execute contracts or issue purchase orders for the same.**

The question that was placed to the voters in 2004 is as follows:

"Shall the Charter of the City of Riverside be amended to (1) allow the board of public utilities to award and execute contracts for construction, goods or services for the public utility;"

The approved Measure MM provided that the Board had the authority to authorize (approve) contracts for equipment, materials, supplies, good and services, award public works contracts (also known as construction contracts) and to authorize the City Manager to execute those contracts.

Measure MM did not distinguish between professional or non-professional services, or services only related to construction. Instead, the voters approved broad language authorizing the Board of Public Utilities to award agreements for construction, goods and services. The City Council, in approving revisions to the City Charter to conform to Measure MM or in adopting rules regarding purchasing and competitive procurement, could not have limited the authority granted by voters to the Board. Accordingly, in 2005, the City Council specifically amended its internal procedures to reflect that the Board of Public Utilities is authorized to award contracts for professional services.

The City, in its own internal procurement procedures, distinguishes between contracts for "services" and "professional services." (See City Purchasing Resolution, Resolution No. 23256, pages 9 and 11.) However, the City can not vary or restrict the authorization granted by Measure MM to the Board without voter approval.

FISCAL IMPACT:

None.

Prepared by: Susan Wilson, Assistant City Attorney

Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Measure MM (entire ballot measure)
2. History of Measure MM
3. City Council Resolution Nos. 20750 and 20751
4. December 11, 2003 Charter Review Committee Report
5. June 10, 2004 minutes, Charter Review Committee
6. City Council Resolution Nos. 20943 and 23256 (City Purchasing Resolutions)
7. Presentation

a final audit and report shall be submitted by such accountant to the City Council, one copy thereof to be distributed to each member, one to the City Manager, controller, treasurer, and City Attorney, respectively, and three additional copies to be placed on file in the office of the City Clerk where they shall be available for inspection by the general public. *At least every five years, the City Council shall employ a qualified public accountant different from the qualified public accountant who submitted the immediately preceding year's audit report.*

Sec. 1114. Use of design-build procurement for public works projects.

Notwithstanding any provision to the contrary in the California Public Contracts Code, in Charter Section 1109, or any other law or regulation of the City of Riverside, the use of design-build procurement by competitive negotiation is authorized. The City Council shall establish by ordinance regulations for the award, use and evaluation of such design-build contracts, in which the design and construction of public works project are procured from a single entity.

Sec. 1202. Same--Powers and duties.

The board of public utilities shall have the power and duty to:

(a) Consider the annual budget for the department of public utilities during the process of its preparation and make recommendations with respect thereto to the City Council and the City Manager.

(b) Authorize, *and let public works contracts in compliance with Section 1109*, within the limits of the budget of the department of public utilities, any purchase of equipment, materials, supplies, *goods or services*, or any acquisition, construction, improvement, extension, enlargement, diminution, or curtailment of all or any part of any public utility system when the amount exceeds \$50,000, *and authorize the City Manager, or his designee, to execute contracts or issue purchase orders for the same*. This amount may be increased in \$1,000 increments by ordinance to account for inflation whenever the cumulative increase in the consumer price index exceeds \$2,000 from the last increase. No such purchase, or acquisition, construction, improvement, extension, enlargement, diminution or curtailment shall be made without such prior authorization.

Notwithstanding the above, such a purchase, or acquisition, construction, extension, enlargement, diminution or curtailment may be made without prior approval *(1) for work done at the request of and at the expense of a customer, pursuant to rules established by the board of public utilities and approved by the City Council, or (2) if there is an urgent necessity to preserve life, health or property (i) as determined by the director of public utilities or, (ii) if the amount exceeds \$100,000 by the director of public utilities and the City Manager. As soon as practicable thereafter, the director of public utilities shall take the matter under Section 1202(b)(2) to the board of public utilities for ratification.*

(c) Within the limits of the budget of the department of public utilities, make appropriations from the contingency reserve fund for capital expenditures directly related to the appropriate utility function.

(d) Require of the City Manager monthly reports of receipts and expenditures of the department of public utilities, segregated as to each separate utility, and monthly statements of the general condition of the department and its facilities.

(e) Establish rates for all utility operations as provided under Section 1200 including but not

limited to water and electrical revenue producing utilities owned, controlled or operated by the City, but subject to the approval of the City Council.

(f) Authorize the director of public utilities to negotiate and execute contracts with individual retail customers for water, electric and any other utility service as provided under Section 1200, consistent with rates for such individualized service established pursuant to Section 1202(e).

(gf) Approve or disapprove the appointment of the director of public utilities, who shall be the department head.

(hg) Designate its own secretary.

(ih) Make such reports and recommendations in writing to the City Council regarding the department of public utilities as the City Council shall deem advisable.

(ji) Exercise such other powers and perform such other duties as may be prescribed by ordinance not inconsistent with any of the provisions of this Charter.

Sample Ballot

Sample Ballot

E

OFFICIAL BALLOT

Consolidated General Election

Riverside County

November 2, 2004

I HAVE VOTED—HAVE YOU?

This ballot stub shall be removed and retained by the voter.

MEASURE(S) SUBMITTED TO THE VOTERS	
CITY	
CITY OF RIVERSIDE	
II	Shall the Charter of the City of Riverside be amended to add a new section 810, which would add the Community Police Review Commission to the Charter?
	Yes <input type="checkbox"/>
	No <input type="checkbox"/>
JJ	Shall the Charter of the City of Riverside be amended to allow the City Council (1) to conduct an election for a bonded indebtedness by a mail-ballot election; and (2) to sell such bonds, notes or other evidences of indebtedness at public sale by notice inviting bids or by negotiated private sale?
	Yes <input type="checkbox"/>
	No <input type="checkbox"/>
KK	Shall the Charter of the City of Riverside be amended to (1) provide that bids on public works contracts can be accompanied by such other form of bidder's security as the City Council establishes by ordinance; and (2) add a new Section 1114, entitled "Use of design-build procurement for public works projects," which would permit the award of contracts for the combined design and construction of public works projects?
	Yes <input type="checkbox"/>
	No <input type="checkbox"/>
LL	Shall the Charter of the City of Riverside be amended to provide that the City change its independent auditor at least every five years?
	Yes <input type="checkbox"/>
	No <input type="checkbox"/>
MM	Shall the Charter of the City of Riverside be amended to (1) allow the board of public utilities to award and execute contracts for construction, goods or services for the public utility; (2) allow the director of public utilities to approve work to be done at the customers' request and expense; and (3) allow the director of public utilities to negotiate and execute contracts with individual retail customers for utility services?
	Yes <input type="checkbox"/>
	No <input type="checkbox"/>

33-E015

TURN CARD OVER

E

39-N999

N

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Examine both sides of each card for
voting opportunities.



IMPARTIAL ANALYSIS OF MEASURE "MM"

(City of Riverside's Board of Public Utilities)

This measure contains three proposed amendments to the City of Riverside Charter.

The first portion of this measure concerns the power of the City's Board of Public Utilities ("the Board") to award and authorize public utilities department contracts. The current Charter provides that most procurements of goods, services and construction for the public utilities department be approved by both the Board of Public Utilities and the City Council if the procurement exceeds \$50,000. If passed by a majority of voters, this measure would authorize the Board, instead of the City Council, to award contracts for public utilities public works projects, purchases of equipment, materials, supplies, goods and services, if the procurement exceeds \$50,000, and authorizes the City Manager or his designee to execute such contracts or issue purchase orders, as appropriate. The limitation on such power is that the funds for such contracts must be included in the City Council-approved budget for public utilities.

The second portion of this measure concerns work done at the request and expense of a customer of the City's Public Utilities. Current law provides that such work be approved by both the Board of Public Utilities and the City Council. If passed by a majority of voters, this measure would allow the Director of Public Utilities to authorize and execute contracts for such work. The two limitations on the director's power would be that the work must be done pursuant to rules established by the Board and approved by the City Council, and if the cost of such work exceeds \$100,000, that the City Manager must approve as well.

The third portion of this measure concerns individual contracts with public utilities department customers for water, electric and any other utility service. Current law provides that all such individualized contracts be approved by both the Board of Public Utilities and the City Council. If passed by a majority of voters, this measure would allow the Director of Public Utilities to negotiate and execute such individualized contracts for such utilities. The limitation on the director's power would be that the rate under such utility contracts would be established by the Board and approved by the City Council in accordance with existing Charter provisions.

If Measure "MM" is approved, there would be no direct fiscal impact to the City.

By: City Attorney
City of Riverside

The above statement is an impartial analysis of Measure "MM." If you desire a copy of the proposed Charter language, please call the City Clerk at 951-826-5557 and a copy will be mailed at no cost to you or view the full text at www.riversideca.gov.

ARGUMENT IN FAVOR OF MEASURE "MM"

The City should be allowed to serve its utility customers faster than the current charter allows. Under this proposal, the City Council would still control all spending and policies.

This measure allows the utilities board to execute contracts that are within the scope of work and budget already approved by the Council. It would allow the City utilities director to approve work done at the request and expense of customers. It also would allow the director to negotiate and execute contracts with individual retail customers following rules and rates previously approved by the Council. This latter change would allow the City to attract and retain economically important institutions and companies and, if de-regulation returns, would allow the City to compete for the utility business of its biggest customers.

The current charter's requirement that all these contracts return to the council for unnecessary redundant votes delays projects for at least 30 days, if not two months.

By: Marcia McQuem
Dorothy Bailey
Sharon L. B. Tyrrell
Eric Haley
Ben Johnson, II

NO ARGUMENT FILED AGAINST MEASURE "MM"



History of Measure MM
Approved by City Voters on November 2, 2004

LEGISLATIVE HISTORY:

The Riverside City Charter provides that every eight years, the City Council must appoint a Charter Review Committee to recommend to the City Council which, if any, Charter amendments should be placed on the ballot. Historically, the Charter Review Committee reviews the current charter and then interviews elected and appointed officials, Charter officers and City staff to determine what recommendations should be made. The Charter Review Committee also solicits public comment to determine what recommendations should be made.

In 2003, the City Council convened a Charter Review Committee and that Charter Review Committee recommended what eventually became Measure MM, which was approved by voters at the November 2, 2004 election.

Pursuant to City Council Resolution Nos. 20750 and 20751, this is the text of Measure MM, as presented to the voters in November 2004:

"Shall the Charter of the City of Riverside be amended to (1) allow the board of public utilities to award and execute contracts for construction, goods or services for the public utility; (2) allow the director of public utilities to approve work to be done at the customers' request and expense; and (3) allow the director of public utilities to negotiate and execute contracts with individual retail customers for utility services?"

(The other two portions of the ballot measure, related to the authority of the RPU General Manager to approve work to be done at customer expense and to execute contracts with individual retail customers, were approved but are not further summarized in this report.)

On November 2, 2004 approval of Measure MM resulted in the following revision to Section 1202(b) of the City Charter (**added language in bold**):

Sec. 1202. Same--Powers and duties.

The board of public utilities shall have the power and duty to:

(a) Consider the annual budget for the department of public utilities during the process of its preparation and make recommendations with respect thereto to the City Council and the City Manager.

(b) Authorize, **and let public works contracts in compliance with Section 1109**, within the limits of the budget of the department of public utilities, any purchase of equipment, materials, supplies, **goods or services**, or any acquisition, construction, improvement, extension, enlargement, diminution, or curtailment of all or any part of any public utility system when the amount exceeds \$50,000, **and authorize the City Manager, or his designee, to execute**

contracts or issue purchase orders for the same. This amount may be increased in \$1,000 increments by ordinance to account for inflation whenever the cumulative increase in the consumer price index exceeds \$2,000 from the last increase. No such purchase, or acquisition, construction, improvement, extension, enlargement, diminution or curtailment shall be made without such prior authorization.

Charter Review Committee:

Here is a brief summary of the 2003 Charter Review Committee's review of the issues which culminated in Measure MM.

1. December 11, 2003: In response to the 2003 Committee's request that each of the six advisory boards/commissions created by the City Charter provide recommendations for amendments, the Board of Public Utilities (among the other boards/commissions) presented a report to the Committee with their recommendations. At that time, the 2003 Committee took no action on the recommendations. One of the recommendations was to amend Section 1202 of the City Charter "to allow the Board of Public Utilities to award contracts over \$50,000 within the approved city budget, without further approvals."

2. June 10, 2004: The 2003 Committee interviewed then-RPU General Manager Tom Evans. The minutes from that committee meeting provides the following:

"Public Utilities Director Evans explained the proposal to allow the Board of Public Utilities to award budgeted contracts for routine work without further City Council action which will increase efficiency by reducing approval time following receipt of bids."

Other comments from Mr. Evans are included in the attached minutes. The Committee unanimously voted to recommend this Charter change to the City Council.

3. July 13, 2004: The committee presented its recommendation to the City Council. The Committee provided the following summary to the City Council:

Article	Section	Title	Issues	Substantive/ Non-Substantive Changes	Fiscal Impact
XII	1202	Same-Powers and Duties	<p>ISSUE 1: Authority of the Board of Public Utilities to award contracts without City Council approval.</p> <p>Positions:</p> <ul style="list-style-type: none"> No change to the current procedure of seeking City Council approval for all contracts over \$25,000. Authorize Board to award contracts over \$50,000 within the approved City budget and authorize City Manager to execute such contracts without City Council approval. <p>Recommendation:</p> <ul style="list-style-type: none"> Authorize Board to award contracts over \$50,000 within the approved City budget and authorize City Manager to execute such contracts without City Council approval. <p>Vote: 12 affirmative 2 no</p> <p>ISSUE 2: Required approvals for customer-requested work.</p> <p>Positions:</p> <ul style="list-style-type: none"> No changes to the current procedure of requiring customer-requested work over \$25,000 be approved by Board and City Council. Under subsection (b), customer-requested work provided under the rules adopted by the Board and Council be exempt from approval requirements. <p>Recommendation:</p> <ul style="list-style-type: none"> Under subsection (b), customer-requested work provided under the rules adopted by the Board and Council be exempt from approval requirements. <p>Vote: 13 affirmative 1 abstention</p>	<p>S</p> <p>S</p>	<p>None</p> <p>Minor</p> <p>None</p> <p>Minor</p>

City Council Actions in Response to Measure MM:

On May 17, 2005, the City Council adopted Resolution No. 20943, revising the City's purchasing procedures for the procurement of professional services to reflect the change to Charter section 1202(b) as a result of Measure MM. The resolution provides that because of the approval of Measure MM, "it is desirable to adopt a resolution establishing rules and regulations for obtaining professional services and negotiated contracts for the Department of Public Utilities consistent with Measure MM." Specifically, the City Council amended portions of the City's administrative manual regarding the procurement of professional services to reflect the Board of Public Utilities authority to award agreements for professional services. The City Council, as set forth in Administrative Manual Section II-4, page 4, Step 22, specifically noted that under Measure MM, the Board of Public Utilities is authorized to approve contracts for professional services, if budgeted funds are available.

If budgeted funds are not available, then City Council approval will also be needed:

Number: 02.004.00

PROCEDURE:		
Responsibility		Action
	16.	Prepares and forwards draft contract to City Attorney for review.
City Attorney	17.	Reviews the draft contract.
	18.	Returns the draft contract to the Originating Department for preparation of final form.
Originating Department	19.	Determines if selected firm is required to file conflict of interest forms, and notifies City Clerk.
City Clerk	20.	Sends conflict of interest forms to selected firm, if necessary.
Originating Department	21.	Sends contract to consultant for execution.
	22.	Prepares a City Council or RPU Board agenda report regarding the selection of the consultant firm, the scope of work to be performed, and the fee proposal, and submits it to the City Manager, City Attorney and Finance Director for approval. If the waiver of consultant selection process was approved by the City Manager, agenda report <u>must</u> include a statement addressing the waiver and justification therefore. If a board, commission or committee is involved, submits the report to that board, commission or committee through the appropriate department director for approval prior to sending it to the City Manager. If Public Utilities Department is the Originating Department and funds for the consultant agreement were not included in the City Council approved budget, then City Council approval is required in addition to RPU Board approval.
	23.	Upon receipt of the executed contract, submits to City Attorney for approval as to form.
	24.	Upon receipt of the required insurance documents, submits to Risk Manager for approval as to form.
City Attorney	25.	Approves contract as to form and forwards to City Clerk
Risk Manager	26.	Approves required insurance documents as to form and forwards to City Clerk.
City Manager	27.	Submits report to the City Council, or if Public Utilities is the Originating Department submits report to RPU Board and if required under #22 to City Council.

References:

1. Measure MM (entire ballot measure)
2. City Council Resolution Nos. 20750 and 20751
3. December 11, 2003 Charter Review Committee Report
4. June 10, 2004 minutes, Charter Review Committee
5. City Council Resolution No. 20943 and 23256 (City Purchasing Resolutions)

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RESOLUTION NO. 20750

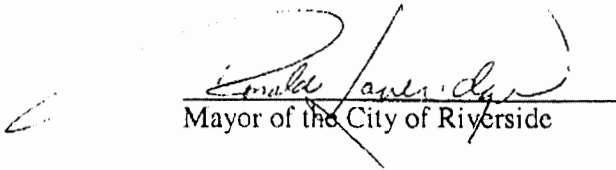
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERSIDE,
CALIFORNIA, PROPOSING AMENDMENTS TO THE CITY CHARTER.

The City Council of the City of Riverside, does hereby resolve as follows:

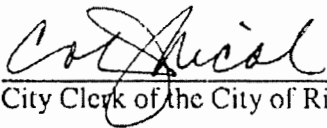
Section 1: That the City Council, pursuant to its right and authority under California law,
proposes that the City Charter be amended as shown in attachment "A".

Section 2: By separate resolution, the City Council will call the election for this proposal to be
presented to the electors.

ADOPTED by the City Council and signed by the Mayor and attested by the City Clerk this 27th
day of July, 2004.


Mayor of the City of Riverside

Attest:


City Clerk of the City of Riverside

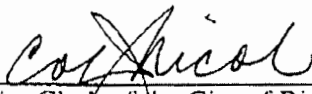
1 I, Colleen J. Nicol, City Clerk of the City of Riverside, California, hereby certify that the
2 foregoing resolution was duly and regularly introduced and adopted at a meeting of the City Council of
3 said City at its meeting held on the 27th day of July, 2004, by the following vote, to wit:

4 Ayes: Councilmembers Betro, Moore, Gage, Schiavone, Adkison, Hart, and Adams

5 Noes: None

6 Absent: None

7 IN WITNESS WHEREOF I have hereunto set my hand and affixed the official seal of the
8 City of Riverside, California, this 27th day of July, 2004.

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11 _____
12 City Clerk of the City of Riverside
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ATTACHMENT A

Redlining Codes: ~~Deletions~~; *Additions*

PREAMBLE

We, the people of the City of Riverside believe in promoting an inclusive community with shared economic, environmental and cultural prosperity, equal civil and political rights, social harmony and cohesion, and opportunities for all governed by responsible and responsive public officials who promote citizen participation, as well as just and equitable tax and financial policies; and these beliefs are rooted in our desire to enhance the uniqueness of the City of Riverside.

We, the people of the City of Riverside, to obtain and retain for ourselves the benefits of local government, do hereby exercise the express right granted by the Constitution and statutes of the State of California and enact this Charter for the City of Riverside.

Sec. 201. Access to public meetings and public records.

City agencies, boards, commissions, committees, officials, staff and officers, including the Mayor and members of the City Council, exist to conduct the people's business. It is fundamental that the people have full access to information, not to just what decisions have been made in their name but how those decisions were reached and how they were deliberated. The people insist on remaining informed so that they may retain control over the instruments they have created. The people do not give their agencies or public servants the right to decide what is good for the people to know and what is not good for them to know.

Our values lie in a government that helps its citizens in a timely way to obtain information. Our values lie in a broadening base of public participation, involvement and interest, providing new ideas and energy.

Our values lie not in hiding embarrassment and unpleasant occurrences. Our values lie not in preventing dissent.

To carry out the purposes set forth in this section, the provisions of the Ralph M. Brown Act (California Government Code Section 54950 et seq.) and the Public Records Act (California Government Code section 6250 et seq.) shall apply to the City Council, and any commission, committee, board or other body created by Charter, ordinance, resolution or formal action of the City Council, or the Mayor.

Special circumstances dictate that there must be exceptions to access. But those exceptions should be narrowly drawn and narrowly exercised. Public employees must be protected from unwarranted invasions of privacy while the public's right to fundamental information must be protected. Citizen right to privacy must be protected with the knowledge that involvement in government matters necessarily reduces an expectation of privacy.

In general, the value of access should be given a strong presumption of public benefit.

Sec. 202. Adoption of ethics code.

The City of Riverside shall adopt a Code of Ethics and Conduct for elected officials and members of appointed boards, commissions, and committees to assure public confidence in the integrity of local government and its effective and fair operation. The City Council shall adopt the Code of Ethics and Conduct by ordinance or resolution within six months of the effective date of this Charter section.

Sec. 403. Compensation.

The **Mayor and** members of the City Council shall receive compensation for their services as such, and in addition, when on official duty, shall receive reimbursement for their necessary expenses on order of the City Council. *In January of every odd-numbered year, the City Council shall review the compensation including salary and benefits, of the Mayor and members of the City Council, and shall establish any increase in compensation of the Mayor and/or the members of the City Council. No increase in salary shall exceed 5 percent of their then-existing salary. Compensation shall* Each member shall receive as compensation such amount as may be fixed by ordinance, *adopted by not fewer than five affirmative votes of the City Council*, after a noticed, public hearing, notice of which has been given by publication at least fourteen days prior to such hearing.

~~The Mayor shall receive compensation for services in such amount and at such stated times as shall be prescribed by ordinance.~~

Five affirmative votes of the City Council are necessary to establish a level of compensation for the City Council and the Mayor:

Once a level of compensation for City Council members and the Mayor is established, such level will not be permitted to change automatically by linking such compensation to *internal or external factors*. ~~an external factor; every change in such compensation must be approved by five affirmative votes of the City Council.~~

Sec. 405. Duties of Mayor; mayor pro tempore; council tie--mayor's vote.

The Mayor shall be the presiding officer at all meetings of the City Council and shall have a voice in all its proceedings but shall not vote except to break a City Council tie-vote which exists for any cause. The Mayor shall be the official head of the City for all ceremonial purposes. The Mayor shall have the primary but not exclusive responsibility for interpreting the policies, programs and needs of the City government to the people, and of informing the people of any major change in policy or program. The Mayor shall advise the City Council on all matters of policy and public relations and perform such other duties as may be prescribed by this Charter. *The Mayor shall appoint the chairperson to all City Council standing committees.* During the months of January or February, the Mayor shall deliver a State of the City message at any location within the City that the Mayor deems appropriate at which the Mayor will present the Mayor's programs, objectives and priorities.

The City Council shall designate one of its members as Mayor Pro Tempore, who shall serve in such capacity at the pleasure of the City Council. In the absence of the Mayor, the Mayor Pro

Tempore shall assume the duties of the Mayor. The Mayor Pro Tempore shall conduct the Council meetings and shall vote only as a member of the Council, not as Mayor Pro Tempore. In the event of a tie vote, the Mayor Pro Tempore shall not have a tie-breaking vote and Council vote shall be recorded as a negative or "nay" vote. With regards to the veto power, the Mayor Pro Tempore shall not have the power to veto acts of the City Council.

Notwithstanding any other provisions of this Charter, when a tie-vote exists for any cause, in order to break that tie, the Mayor shall have the same voting right as a member of the City Council for or against the item before the City Council. The Mayor's vote shall be deemed a City Council member's vote for all purposes, including the introduction or adoption of both ordinances and resolutions.

Sec. 408. Meetings.

The City Council shall hold regular meetings at least twice each month at such times as it shall fix by ordinance or resolution and may adjourn or readjourn any regular meeting to a date and hour certain which shall be specified in the order of adjournment and when so adjourned each adjourned meeting shall be a regular meeting for all purposes. If the hour to which a meeting is adjourned is not stated in the order of adjournment such meeting shall be held at the hour for holding regular meetings. If at any time any regular meeting falls on a holiday such regular meeting shall be held on the next business day.

Special meetings may be called in accordance with State law.

Meetings of City Council-appointed *and Mayoral-appointed* standing *and ad hoc* Council committees, regardless of the number of City Council members who might be on such committees, shall be open to the public and the time and place of such meetings shall be publicly announced at the City Council meetings prior to such committee meetings.

All meetings of the City Council conducted in closed session under the Ralph M. Brown Act (California Government Code sections 54950 et. seq.) shall be audio recorded. The recording shall be confidential and shall be available for inspection only as permitted by state law. The recording shall be retained for a period of at least two years.

Sec. 411. Same--Citizen participation.

Each citizen shall have the right, personally or through counsel, to present comments at any regular meeting of the Council, or a Council standing *or Ad Hoc* committee, or offer suggestions with respect to municipal affairs.

Sec. 703. Powers and duties of City Clerk.

The City Clerk shall have power and be required to:

(a) Be responsible for the recording and maintaining of a full and true record of all of the proceedings of the City Council in books that shall bear appropriate titles and be devoted to such purpose and attend all meetings of the City Council either in person or by deputy.

(b) Maintain separate books, in which shall be recorded respectively all ordinances and resolutions, with the certificate of the clerk annexed to each thereof stating the same to be the original or a correct copy, and as to an ordinance requiring publication, stating that the same has been

published in accordance with this Charter; keep all books properly indexed and open to public inspection when not in actual use.

(c) Maintain separate books, in which a record shall be made of all written contracts and official bonds.

(d) Be the custodian of the seal of the City.

(e) Administer oaths or affirmations, take affidavits and depositions pertaining to the affairs and business of the City and certify copies of official records.

(f) Have charge of all City elections.

(g) *Facilitate and help members of the public examine and copy all appropriate public records, in accordance with the Government Code of the State of California.*

Sec. 802. Appointments; terms.

The members of each such board or commission shall serve at the pleasure of the Mayor and City Council and shall be nominated and appointed by the Mayor and City Council from the qualified electors of the City, none of whom shall hold any paid office or employment in the City government. *Each such board or commission shall have at least one member from each Council Ward.* They shall be subject to removal by the Mayor and City Council by a motion adopted by five affirmative votes with the Mayor entitled to vote. The members thereof shall serve for a term of four years and until their respective successors are appointed and qualified, and may serve for not more than two consecutive full terms.

Minors may be appointed to a youth commission or other boards or commissions if they would otherwise qualify as an elector under the Elections Code of the State of California. Minors appointed to a youth commission or other boards or commissions shall serve a term of one year and may serve for not more than two consecutive terms.

Except for minors appointed to a youth commission, a minor appointed to a board or commission shall serve as a preferential voting member of the board or commission but shall not be counted against the number of members established by ordinance of the City Council for each board or commission. The minor shall be seated with the members of the board or commission and shall be recognized as a full member of the board or commission at the meetings, including receiving all materials presented to the board or commission and participating in the discussion of issues. Preferential voting, as used in this section, means a formal expression of opinion that is recorded in the minutes and cast prior to the official vote of the board or commission. The non-voting or preferential voting member shall not be included in determining the vote required to carry any measure before the board or commission or affect the action taken by the board or commission.

Each minor member shall have the right to attend each and all meetings of the board or commission, except closed sessions. No preferential vote will be solicited on matters subject to closed session discussion.

Sec. 810. ~~Mayor and Council members salary commission:~~

~~There shall be a Mayor and Council members salary commission which shall have the power and duty to:~~

~~(a) In every even-numbered year, after study and public hearing and not later than ninety days before the end of the fiscal year, the commission shall make recommendations to the City Council concerning the compensation of the Mayor and members of the City Council. Such recommendations shall include salary and fringe benefits.~~

~~(b) The commission shall consist of seven members composed, if practicable, of one business executive, one representative of a nonpartisan voter organization, one person experienced in public administration, one representative of a labor organization, one representative of an educational institute, and two other appointees.~~

~~(c) No person shall be appointed to this commission while serving as Mayor, a member of the City Council, or employee of the City nor within two years after holding such positions.~~

~~(d) The initial term of the members composing the initial commission shall be determined by the commission by lot so that four members shall serve a full four-year term and three members a two-year term.~~

Sec. 810. Community police review commission.

There shall be a community police review commission which shall have the power and duty to:

(a) Advise the Mayor and City Council on all police/community relations issues.

(b) Conduct public outreach to educate the community on the purpose of the commission.

(c) Receive, and in its discretion, review and investigate citizen complaints against officers of the Riverside Police Department filed within six months of the date of the alleged misconduct in writing with the commission or any other City office as established by ordinance of the City Council.

(d) Review and investigate the death of any individual arising out of or in connection with actions of a police officer, regardless of whether a complaint regarding such death has been filed.

(e) Conduct a hearing on filed complaints or commission-initiated investigations when such hearing, in the discretion of the commission, will facilitate the fact finding process.

(f) Exercise the power of subpoena to require the attendance of witnesses, including persons employed by the City of Riverside, and the production of books and papers pertinent to the investigation and to administer oaths to such witnesses and to take testimony to the extent permissible by law. Subpoenas shall only be issued by the commission upon the affirmative vote of six commission members.

(g) Make findings concerning allegations contained in the filed complaint to the City Manager and Police Chief.

(h) Review and advise the Riverside Police Department in matters pertaining to police policies and practices.

(i) Prepare and submit an annual report to the Mayor and City Council on commission activities.

Sec. 1108. General obligation bonded debt limit; vote required for issuing general obligation bonds; issuance of revenue bonds, notes and other evidence of indebtedness.

(a) The City shall not incur an indebtedness evidenced by general obligation bonds which shall in the aggregate exceed the sum of fifteen percent of the total assessed valuation, for purposes of City taxation, of all the real and personal property within the City.

(b) No bonded indebtedness which shall constitute a general obligation of the City may be created unless authorized by the affirmative votes of two-thirds of the electors voting on such proposition at any election at which the question is submitted to the electors and unless in full compliance with the provisions of the State Constitution and of this Charter. ***The City Council may by ordinance determine that the election shall be conducted as a mail-ballot election and prescribe the procedures for conducting the election.***

(c) The City Council by procedural ordinance or pursuant to State law, after a public hearing, notice of which has been given by publication at least fifteen days prior to such hearing, may issue revenue bonds, notes or other evidences of indebtedness without an election for any City purpose or purposes, and, any other provisions of this Charter notwithstanding, may make such covenants and exercise such powers as are deemed necessary in connection with the issuance and sale of such revenue bonds, notes or other evidences of indebtedness.

(d) Before issuing general obligation bonds or revenue bonds, notes or other evidences of indebtedness, the City Council shall determine by ordinance or resolution whether such bonds, notes or other evidences of indebtedness shall be sold at public sale by notice inviting bids or by negotiated private sale.

Sec. 1109. Public works contracts.

Every project for the construction and/or improvement of public buildings, works, streets, drains, sewers, utilities, parks or playgrounds, and every purchase of supplies or materials for any such project, when the total expenditures required for the same exceed \$50,000 shall be let by the City Council ***or by the board of public utilities pursuant to Section 1202(b)***, by contract to the lowest responsible bidder after notice by publication in a newspaper of general circulation within the City by one or more insertions, the first of which shall be at least ten days before the time for opening bids. Projects for the maintenance or repair of streets, drains or sewers are excepted from the requirements of this section if the City Council determines that such work can be performed more economically by a City department than by contracting for the doing of such work.

All bids shall be accompanied by either a certified or cashier's check, or a bidder's bond executed by a corporate surety authorized to engage in such business in California, made payable to the City, ***or such other form of bidder's security as the City Council establishes by ordinance.*** Such security shall be in an amount not less than that specified in the notice inviting bids or in an amount not less than ten percent of the aggregate amount of the bid. If the successful bidder neglects or refuses to enter into the contract, within the time specified in the notice inviting bids or in the specifications referred to therein, the amount of the bidder's security shall be declared forfeited to the City and shall be collected and paid into its general fund, and all bonds so forfeited shall be prosecuted and the amount thereof collected and paid into such fund.

The City Council ***or board of public utilities pursuant to Section 1202(b)*** may reject any and all bids presented and may readvertise in its discretion.

The City Council, without advertising for bids, or after rejecting bids, or if no bids are received, may declare and determine that, in its opinion, based on estimates approved by the City Manager, the work in question may be performed better or more economically by the City with its own employees or the supplies or materials may be purchased more economically on the open market, and after the adoption of a resolution to that effect by at least five affirmative votes of the City Council may proceed to have said work done or said supplies or materials purchased in the manner

stated, without further observance of the provisions of this section. Such contracts likewise may be let without advertising for bids if such work or supplies or materials shall be deemed by the City Council to be of urgent necessity for the preservation of life, health or property, and shall be authorized by resolution passed by at least five affirmative votes of the City Council and containing a declaration of the facts constituting such urgency.

Projects for the construction and/or improvement of any public utility operated by the City or for the purchase of supplies or equipment for any such utility may be excepted from the requirements of this section, provided the City Council so determines by at least five affirmative votes.

Sec. 1110. Cash management.

Adequate cash shall be maintained to meet lawful demands of the City. ~~Transfer~~*Transfers* and loans may be made by the City Council from one fund to another as may be required.

Sec. 1111. Capital projects funds.

(a) Funds for capital projects are hereby created. Capital projects initiated by the City Council which only require approval by the City Council are provided for in subsection B (b). Capital projects initiated by the City Council which also require approval by the voters are provided for in subsection C(c).

(b) A City Council approved capital project fund shall remain for the established purpose and the appropriation shall carry over to the completion of the project, as set forth in Section 1104. When a capital project has been completed, the City Council may transfer any unexpended or unencumbered surplus to any fund similarly restricted.

To the extent permitted by law, the City Council may levy and collect taxes for capital projects and may include in the annual tax levy a levy for such purposes in which event it must apportion and appropriate to any such fund or funds the moneys derived from such levy. It may not, in making such levy, exceed the maximum tax rate provided for in this Charter, unless authorized by the affirmative votes of two-thirds of the electors voting on the proposition at any election at which such question is submitted.

(c) A fund for a voter approved capital project shall remain inviolate for the purpose for which it was created unless the use of such fund for other capital project purposes was authorized by the electors voting on such proposition at the general or special election at which such proposition was submitted. The majority or super-majority for passage of a voter approved capital project will depend on the enabling legislation under which it is proposed. Notwithstanding the above, the proposition approving a capital project may be amended as provided in the proposition or the enabling legislation.

Sec. 1113. Independent audit.

The City Council shall employ, at the beginning of each fiscal year, a qualified public accountant who shall, at such time or times as may be specified by the City Council, and at such times as such accountant shall determine, examine the books, records, inventories and reports of all officers and employees who receive, handle or disburse public funds and of such other officers, employees or departments as the City Council may direct. As soon as practicable after the end of the fiscal year,

a final audit and report shall be submitted by such accountant to the City Council, one copy thereof to be distributed to each member, one to the City Manager, controller, treasurer, and City Attorney, respectively, and three additional copies to be placed on file in the office of the City Clerk where they shall be available for inspection by the general public. *At least every five years, the City Council shall employ a qualified public accountant different from the qualified public accountant who submitted the immediately preceding year's audit report.*

Sec. 1114. Use of design-build procurement for public works projects.

Notwithstanding any provision to the contrary in the California Public Contracts Code, in Charter Section 1109, or any other law or regulation of the City of Riverside, the use of design-build procurement by competitive negotiation is authorized. The City Council shall establish by ordinance regulations for the award, use and evaluation of such design-build contracts, in which the design and construction of public works project are procured from a single entity.

Sec. 1202. Same--Powers and duties.

The board of public utilities shall have the power and duty to:

(a) Consider the annual budget for the department of public utilities during the process of its preparation and make recommendations with respect thereto to the City Council and the City Manager.

(b) Authorize, *and let public works contracts in compliance with Section 1109*, within the limits of the budget of the department of public utilities, any purchase of equipment, materials, supplies, *goods or services*, or any acquisition, construction, improvement, extension, enlargement, diminution, or curtailment of all or any part of any public utility system when the amount exceeds \$50,000, *and authorize the City Manager, or his designee, to execute contracts or issue purchase orders for the same.* This amount may be increased in \$1,000 increments by ordinance to account for inflation whenever the cumulative increase in the consumer price index exceeds \$2,000 from the last increase. No such purchase, or acquisition, construction, improvement, extension, enlargement, diminution or curtailment shall be made without such prior authorization.

Notwithstanding the above, such a purchase, or acquisition, construction, extension, enlargement, diminution or curtailment may be made without prior approval *(1) for work done at the request of and at the expense of a customer, pursuant to rules established by the board of public utilities and approved by the City Council, or (2) if there is an urgent necessity to preserve life, health or property (i) as determined by the director of public utilities or, (ii) if the amount exceeds \$100,000 by the director of public utilities and the City Manager.* As soon as practicable thereafter, the director of public utilities shall take the matter *under Section 1202(b)(2)* to the board of public utilities for ratification.

(c) Within the limits of the budget of the department of public utilities, make appropriations from the contingency reserve fund for capital expenditures directly related to the appropriate utility function.

(d) Require of the City Manager monthly reports of receipts and expenditures of the department of public utilities, segregated as to each separate utility, and monthly statements of the general condition of the department and its facilities.

(e) Establish rates for all utility operations as provided under Section 1200 including but not

limited to water and electrical revenue producing utilities owned, controlled or operated by the City, but subject to the approval of the City Council.

(f) Authorize the director of public utilities to negotiate and execute contracts with individual retail customers for water, electric and any other utility service as provided under Section 1200, consistent with rates for such individualized service established pursuant to Section 1202(e).

(gf) Approve or disapprove the appointment of the director of public utilities, who shall be the department head.

(hg) Designate its own secretary.

(ih) Make such reports and recommendations in writing to the City Council regarding the department of public utilities as the City Council shall deem advisable.

(ji) Exercise such other powers and perform such other duties as may be prescribed by ordinance not inconsistent with any of the provisions of this Charter.

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RESOLUTION NO. 20751

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERSIDE, CALIFORNIA, ORDERING, CALLING, PROVIDING FOR AND GIVING NOTICE OF A SPECIAL MUNICIPAL ELECTION TO BE HELD IN SAID CITY ON THE 2ND DAY OF NOVEMBER 2004, FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED ELECTORS OF THE CITY OF RIVERSIDE, CERTAIN AMENDMENTS TO THE CHARTER OF THE CITY OF RIVERSIDE, AND GIVING NOTICE AND ORDERING THAT SAID SPECIAL MUNICIPAL ELECTION IS CONSOLIDATED WITH ALL OTHER ELECTIONS BEING HELD IN THE SAME TERRITORY ON THE SAME DATE.

WHEREAS, Section 1403 of the Charter of the City of Riverside requires that by February of 2004, and in February every eight years thereafter, the City Council appoint and appropriate adequate funds for a Charter review committee; and

WHEREAS, the Charter review committee shall have the power and duty to recommend to the City Council which, if any, Charter amendments should be placed on the ballot at the next regular municipal election for Mayor; hold public meetings to receive input on proposed Charter amendments; and present a final report with its recommendations to the City Council by the last Tuesday in May preceding the next regular municipal election for Mayor; and

WHEREAS, Section 1403 of the Charter of the City of Riverside also provides that the City Council may appoint Charter review committees more often if it desires; and

WHEREAS, the City Council so appointed such Charter review committee on May 22, 2003; and

WHEREAS, the City Council reaffirmed such appointment on February 10, 2004; and

WHEREAS, the committee was comprised of 17 members and met 21 times, from August 5, 2003, to July 1, 2004; and

WHEREAS, on July 13, 2004, the Committee presented its final report to the City Council recommending that numerous substantive and non-substantive Charter amendments should be submitted to the voters at the November 2004 statewide general election; and

WHEREAS, under Section 1403, the City Council shall act upon the recommendations of the Charter review committee prior to the last day to place measures on the ballot for the next regular municipal election for Mayor; and

1 WHEREAS, Article XI, Section 3, of the Constitution of the State of California, Elections
2 Code section 9255, and Government Code section 34458 further authorize the City Council, on its
3 own motion, to submit to the qualified electors of the City any ballot measure by ordinance or
4 resolution proposing amendments to the City Charter at any time; and

5 WHEREAS, the State of California will conduct an election on November 2, 2004, which
6 shall be prior to the next municipal election for Mayor; and

7 NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Riverside as
8 follows:

9 Section 1: The City Council, pursuant to its right and authority under California law, hereby
10 orders that the following questions be submitted to the qualified electors of the City of Riverside at
11 a special election on November 2, 2004:

12
13 Shall the Charter of the City of Riverside be amended by amending the
14 Preamble to better reflect the diversity and inclusiveness of Riverside,
15 changing the title of Article II, and correcting typographical errors in sections
16 1110 and 1111?

17
18 Shall the Charter of the City of Riverside be amended to (1) add a new Section
19 201, entitled "Access to public meetings and public records;" (2) provide that
20 meetings of ad hoc Council committees and Mayoral-appointed bodies be open
21 to the public; (3) all closed session meetings of the City Council be
22 audiorecorded; and (4) provide that the City Clerk shall help members of the
23 public examine and copy all public records?

24
25 Shall the Charter of the City of Riverside be amended by adding a new Section
26 202, entitled "Adoption of ethics code," which would require the City of
27 Riverside to adopt within six months a Code of Ethics and Conduct?

1 Shall the Charter of the City of Riverside be amended to (1) provide that the
2 City Council review the compensation of the Mayor and City Council every
3 two years and that any increase be limited to five percent every two years; and
4 (2) eliminate the Mayor and Council members salary commission?

5
6 Shall the Charter of the City of Riverside be amended to provide that the
7 Mayor shall appoint the chairperson to all City Council standing committees?

8
9 Shall the Charter of the City of Riverside be amended to provide that each City
10 board or commission shall have at least one member from each Council Ward?

11
12 Shall the Charter of the City of Riverside be amended to provide that minors
13 may be appointed to City boards or commissions with preferential voting
14 privileges only or to a youth commission?

15
16 Shall the Charter of the City of Riverside be amended to add a new section
17 810, which would add the Community Police Review Commission to the
18 Charter?

19
20 Shall the Charter of the City of Riverside be amended to allow the City
21 Council (1) to conduct an election for a bonded indebtedness by a mail-ballot
22 election; and (2) to sell such bonds, notes or other evidences of indebtedness
23 at public sale by notice inviting bids or by negotiated private sale?

24
25 Shall the Charter of the City of Riverside be amended to (1) provide that bids
26 on public works contracts can be accompanied by such other form of bidder's
27 security as the City Council establishes by ordinance; and (2) add a new

1 Section 1114, entitled "Use of design-build procurement for public works
2 projects," which would permit the award of contracts for the combined design
3 and construction of public works projects?

4
5 Shall the Charter of the City of Riverside be amended to provide that the City
6 change its independent auditor at least every five years?

7
8 Shall the Charter of the City of Riverside be amended to (1) allow the board
9 of public utilities to award and execute contracts for construction, goods or
10 services for the public utility; (2) allow the director of public utilities to
11 approve work to be done at the customers' request and expense; and (3) allow
12 the director of public utilities to negotiate and execute contracts with individual
13 retail customers for utility services?

14
15 Section 2: That only the qualified electors of the City of Riverside are entitled to vote at said
16 election on these proposals to amend the City Charter and that if a majority of the qualified electors
17 voting on any of the Charter proposals votes in favor of one or more of the proposals, said proposal(s)
18 shall be deemed approved.

19 Section 3: The City Clerk is authorized, instructed and directed to take all action necessary
20 to place the measures described herein on the special municipal election ballot for the special
21 municipal election on November 2, 2004.

22 Section 4: The City Clerk is directed to transmit a copy of the measures to the City Attorney.
23 The City Attorney shall prepare an impartial analysis of the measures pursuant to Elections Code
24 section 9280, showing the effect of the measure on the existing law and the operation of the measure.
25 The analysis shall be printed preceding the arguments for and against the measure.

26 Section 5: That in accordance with the provisions of the Charter of the City of Riverside
27 and the Constitution and Election Laws of the State of California, a special municipal election be held

1 and the same is hereby called and ordered to be held in the City of Riverside on November 2, 2004,
2 for the purpose of submitting to the qualified electors of the City of Riverside such amendments to
3 the City Charter as may be proposed by the City Council.

4 Section 6: That the polls for said election shall be open at 7:00 a.m. of the day of said
5 election and shall remain open continuously from said time until 8:00 p.m. of the same day, when the
6 polls shall be closed, except as provided in section 14401 of the Elections Code of the State of
7 California.

8 Section 7: That the City Council consents to the consolidation of the special municipal
9 election hereby called with all other elections being held in the same territory on November 2, 2004,
10 and said elections, where possible, shall be held in all respects as if there were only one election within
11 the City of Riverside and only one form of ballot shall be used in the precincts, and polling places and
12 officers of election for said elections shall be the same as provided for the statewide general election.

13 Section 8: That for the purpose of holding said special municipal election, there shall be and
14 hereby are established consolidated voting precincts, consisting of a consolidation of the regular
15 election precincts in the City of Riverside established for the holding of state and county elections as
16 said regular election precincts exist on the date of this resolution.

17 Section 9: That the form and contents of the ballot to be used at said election shall be as
18 provided by law.

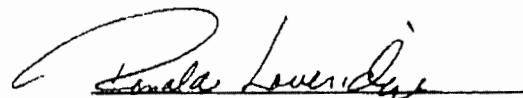
19 Section 10: That in accordance with section 10002 of the Elections Code, the Board of
20 Supervisors of Riverside County is hereby requested to consent to the Registrar of Voters rendering
21 election services to the City of Riverside as may be requested by the City Clerk of said city, the
22 County of Riverside to be reimbursed in full, for such services as are performed.

23 Section 11: That the elections services of the City of Riverside request the Registrar of
24 Voters, or such other official as may be appropriate, to perform, and that such officer is hereby
25 authorized and directed to perform if the said Board of Supervisors consents, include: the preparation,
26 printing and mailing of sample ballots and polling place cards; the establishment or appointment of
27 precincts, polling places, and election officers, and making such publications as are requested by law

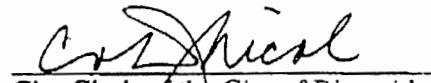
1 in connection therewith; the furnishing of ballots, voting booths and other necessary supplies or
2 materials for polling places; the canvassing of the returns of election and the furnishing of the results
3 of such canvassing to the City Clerk of the City of Riverside; and the performance of such other
4 election services as may be requested by said City Clerk.

5 Section 12: That the City Clerk of said City shall receive the canvass of the special
6 municipal election and shall certify the results to the City Council, as required by law.

7 ADOPTED by the City Council and signed by the Mayor and attested by the City Clerk
8 this 27th day of July, 2004.

9 
10 Mayor of the City of Riverside

11 Attest:

12 
13 City Clerk of the City of Riverside


14
15 I, Colleen J. Nicol, City Clerk of the City of Riverside, California, hereby certify that the
16 foregoing resolution was duly and regularly introduced and adopted at a meeting of the City Council
17 of said City at its meeting held on the 27th day of July, 2004, by the following vote, to wit:

18 Ayes: Councilmembers Betro, Moore, Gage, Schiavone, Adkison, Hart and Adams

19 Noes: None

20 Absent: None

21 IN WITNESS WHEREOF I have hereunto set my hand and affixed the official seal of the
22 City of Riverside, California, this 27th day of July, 2004.

23 
24 City Clerk of the City of Riverside

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26 03-1193.2



People Serving
People

CITY OF RIVERSIDE

COMMITTEE MEMORANDUM



CHARTER REVIEW COMMITTEE

DATE: December 11, 2003

ITEM NO: 9

SUBJECT: CITY CHARTER RECOMMENDATIONS BY THE PUBLIC UTILITIES BOARD

BACKGROUND:

The Department of Public Utilities (PU) is uniquely described in Article XII of the City Charter. The PU Department provides electric service to approximately 100,000 customers and water service to approximately 60,000 customers. The total department budget for FY 2003/04 is over 312 million (55.2 percent of the total City of Riverside's (City) budget).

The PU Department is comprised of approximately 410 employees who are divided into four major divisions:

- Energy Delivery
- Water
- Marketing and Customer Service
- Financial Resources.

The Public Utilities Director reports to the City Manager and the Board of Public Utilities fulfills the functions, specifically outlined in the City Charter, as well as helping set goals for the utilities.

The Public Utilities Board and senior department management developed the following strategic goals:

- *Attract, develop and retain quality employees*
- *Promote the efficient use of water and electricity*
- *Improve and protect the current excellent financial health of Riverside Public Utilities*
- *Build and maintain a safe and reliable infrastructure*
- *Expand the customer base through economic development*
- *Enhance community relations and customer satisfaction*

These goals were a refinement of the goals established for 2001-2004. The strategic goals have been beneficial in focusing the PU Department's efforts for the benefit of all Riverside customers. Each Public Utilities Board member invests approximately 250 hours a year fulfilling board responsibilities, including the following:

- Two board meetings a month
- One committee meeting each month
- Two goal setting meetings a year
- Various ad hoc meetings representing the City with elected officials in Sacramento and Washington, D.C.
- Represents Public Utilities at various community events

The utility enterprise is fiscally sound and has reserves as prescribed by bond covenants as well as reserves based on best management practices. The reserves are:

<u>ELECTRIC</u>		<u>WATER</u>	
	Million		Million
Cash Reserves	\$29.0	Cash Reserves	\$ 9.0
Restricted Cash	\$75.2	Restricted Cash	\$21.1
Operating Cash	\$15.5	Operating Cash	\$11.7

ELECTRIC

Riverside Public Utilities provides electric service to nearly 100,000 customers, with a service area population of approximately 266,000, encompassing over 85 square miles. Riverside Public Utilities owns, maintains, and operates 85.3 circuit miles of transmission lines, 1,126 circuit miles of distribution lines, 50 miles of fiber optic, 14 substations, and 4-10 MW generators.

The Electric Utility contributes 9 percent of operating revenue dollars to the City's General Fund. For FY 2002/03, this is estimated to be over \$16.0 million. This money is essential for providing needed public services, such as library books, street repair, park maintenance, and public safety.

The Electric Utility acts competitively, with a sharp focus on customers, while maintaining a financially sound utility. Compared to other local utilities, Riverside's rates are lower, reliability is higher and more funds are returned to the local community in the way of low-income assistance, rebates and community support. The Electric division is targeting efforts to increase conservation and energy efficiency, and is developing strategies to increase the amount of renewable energy in its portfolio.

WATER

The Water Utility services over 60,000 customers, with a service area population of approximately 245,000, encompassing over 80 square miles. The Water Utility maintains its own distribution system, which contains 938 miles of pipeline ranging from 1-inch to 72-inch in diameter, 47 domestic wells, 16 active reservoirs (with a capacity over 100 million gallons), 12 miles of canals, and seven treatment plants.

The Water Utility is responsible for providing adequate water supplies to its customers. Compared to other utilities, Riverside's water rates are significantly lower. This includes assuring continued access to water resources while maintaining a high quality water supply and reliable water distribution system. The Water Utility has made significant strides in water treatment, with seven new treatment plants placed in service over the last several years. In addition, several significant water line replacements have been completed, ensuring improved reliability.

The Water Utility contributes 11.5 percent of operating revenues to the City's General Fund, which will amount to nearly \$3.1 million for FY 2002/03.

The Board of Public Utilities has reviewed the City Charter and at its November 21, 2003 board meeting adopted the following recommended changes, which will benefit Riverside customers:

- Preference should be given to Riverside-based companies for construction contracts.
- Add to Section 1202 to allow the Board of Public Utilities to award contracts over \$50,000 within the approved City budget, without further approvals.
- Amend Section 1202(b) so that in addition to exceptions for "urgent necessity to preserve life, health, and property" that customer-requested work provided under the rules adopted by the Board of Public Utilities and City Council also be exempt from approval requirements (subject to ratification by the Board after the fact)

- Add to Section 1202 delegation to the Public Utilities Director, without further authorization or approval, the power and authority to enter into long-term contracts to provide water and power in accordance with approved tariffs based on current cost of service studies up to seven years in length.

FISCAL IMPACT:

None.

ALTERNATIVES:

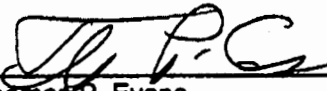
The alternative is not to revise Article XII of the City Charter but this is not recommended.

RECOMMENDATIONS:

That the City Charter Review Committee:

1. Approve the Board of Public Utilities' recommendations regarding Article XII of the City Charter pertaining to the Department of Public Utilities; and
2. Recommend appropriate changes to the City Council.

Prepared by:



Thomas P. Evans
Public Utilities Director

TPE/cef
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Attachment: Board of Public Utilities minutes of November 21, 2003

DISCUSSION CALENDAR

➔ (9) CITY CHARTER RECOMMENDATIONS BY THE PUBLIC UTILITIES BOARD

The Board of Public Utilities moved the meeting to the Art Pick Council Chamber Board Room at 8:40 a.m. to discuss this item.

Troy Brown, Assistant to the City Manager, and Ray Higgins, a member of the Charter Review Committee, attended this meeting as guests.

Director Tom Evans explained each suggestion to the Board members and staff and advised what City Manager George Carvalho's input was for each suggestion. Each suggestion was thoroughly discussed and approved by simple majority and the motions were recorded as follows (NOTE: Items 2 (c) and (d) were not approved for recommendation to the Charter Review Committee):

The Board of Public Utilities:

- (1) Established that items referred to the Charter Review Commission would be approved by simple majority;

- (2) Concurred with the suggested changes;
(**BOLDED** print shows the addition to the original suggestion)
(~~STRIKEOUT~~ shows the deletion of the original suggestion)

- (a) Preference should be given to Riverside-based companies for construction contracts.

(NOTE – 3 Board Members agreed and 2 Board Members disagreed – majority ruled)

Motion – Gage. Second – Newberry, Jr., P.E.

Ayes: Newberry, Jr., P.E., Tavaglione, and Gage.

Noes: Acharya and Barnhart

Abstain: None

Absent: Jim Anderson
Peter Hubbard

- (b) Add to Section 1202 to allow the Board of Public Utilities to award contracts over \$50,000 within the approved City budget, without further approvals.

Motion – Gage. Second – Tavaglione.

Ayes: Acharya, Barnhart, Newberry, Jr., P.E.,
Tavaglione, and Gage.

Noes: None

Abstain: None

Absent: Jim Anderson
Peter Hubbard

- ~~(c) Change Section 1203 to authorize alternative administrative support services providers and not be limited to city services.~~

Motion – Gage. Second – Tavaglione.

Ayes: Acharya, Barnhart, Newberry, Jr., P.E.,
Tavaglione, and Gage.

Noes: None

Abstain: None

Absent: Jim Anderson
Peter Hubbard

- ~~(d) Clarify Section 1200 to indicate that the appointment and termination of the Utilities Director is the responsibility of the Board and the City Manager.~~

Motion – Gage. Second – Tavaglione.

Ayes: Acharya, Barnhart, Newberry, Jr., P.E.,
Tavaglione, and Gage.

Noes: None

Abstain: None

Absent: Jim Anderson
Peter Hubbard

- (e) Amend Section 1202(b) so that in addition to exceptions for "urgent necessity to preserve life, health, and property" that customer-requested work **provided under the rules adopted by the Board of Public Utilities and City Council** also be exempt from approval requirements (subject to ratification by the Board after the fact).

Motion – Tavaglione. Second – Newberry, Jr., P.E.

Ayes: Acharya, Barnhart, Newberry, Jr., P.E.,
9-5 Tavaglione, and Gage.

Noes: None

Abstain: None

Absent: Jim Anderson
Peter Hubbard

- (f) Add to Section 1202 delegation to the Public Utilities Director, without further authorization or approval, the power and authority to enter into long-term contracts to **provide water and power** in accordance with approved tariffs based on current cost of service studies up to seven years in length.

Motion – Tavaglione. Second – Newberry, Jr., P.E.

Ayes: Acharya, Barnhart, Newberry, Jr., P.E.,
Tavaglione, and Gage.

Noes: None

Abstain: None

Absent: Jim Anderson
Peter Hubbard

- (3) Authorized the Public Utilities' Director and Board of Public Utilities' Chairman to present the recommendations to the Charter Review Committee.

Motion – Tavaglione. Second – Newberry, Jr., P.E.

Ayes: Acharya, Barnhart, Newberry, Jr., P.E., Tavaglione, and
Gage.

Noes: None

Abstain: None

Absent: Jim Anderson
Peter Hubbard

DIRECTOR'S REPORT

- (A) Open and Closed Work Orders – October 2003
- (B) Draft Monthly Benchmark Report Cards – October 2003
- (C) Financial Statements – October 2003
- (D) Water Highlights – October 2003
- (E) Rolling Calendar Outlining Future Utility Projects as of November 14, 2003

Section CH.1201 Board of public utilities—Composition; applicability of Article VIII of Charter.

There shall be a board of public utilities. All of the provisions of Article VIII of this Charter relating to boards and commissions generally, to the organization, meetings, conduct of proceedings, and expenses thereof, and to the appointment, qualifications, term of office, removal, compensation and powers of members thereof, where not inconsistent with the provisions of this Article, shall apply to the board of public utilities.

PUBLIC UTILITIES BOARD OF Charter - Sections 1201 & 1202; O-963NS and O-4978. (Meetings: 1st & 3rd Fridays of each month at 8:15 a.m., Art Pick Council Chamber)

☞ Citizens wishing to leave messages for any of the 7 Board members may call Cathy Ference at 826-5197.

Chairperson – Lalit N. Acharya
Vice Chairperson – Peter Hubbard

Alternate – None

<u>MEMBER</u>	<u>WARD</u>	<u>TERM BEGAN</u>	<u>TERM EXPIRES</u>
James W. Anderson	2	03-01-2000	03-01-2004
Joe Tavaglione	4	03-01-2001	03-01-2005
David E. Barnhart	5	10-18-2003	03-01-2005
Conrad Newberry Jr.	1	03-25-1997	03-01-2006*
Arthur Gage	3	03-29-2002	03-01-2006
Peter Hubbard	1	02-11-1999	03-01-2007*
Lalit N. Acharya	4	03-01-1999	03-01-2007*

*Second full term

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ORDINANCE NO. 4978

AN ORDINANCE OF THE CITY OF RIVERSIDE, CALIFORNIA,
ESTABLISHING THE NUMBER OF MEMBERS OF THE VARIOUS
BOARDS AND COMMISSIONS ESTABLISHED BY THE CHARTER
OF THE CITY OF RIVERSIDE.

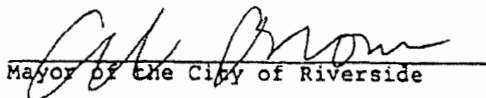
The City Council of the City of Riverside does ordain
as follows:

Section 1: Pursuant to Sections 700, 703 and 1201 of
the Charter of the City of Riverside, the number of members
of the following boards or commissions shall be as follows:

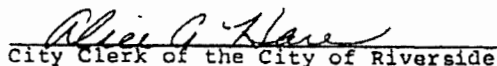
- a. The Board of Public Utilities shall have seven members.
- b. The Board of Library Trustees shall have seven members.
- c. The Personnel Board shall have seven members.
- d. The Park and Recreation Commission shall have nine members.
- e. The Planning Commission shall have nine members.

Section 2: The City Clerk shall certify to the adoption
of this ordinance and cause publication once in a newspaper of
general circulation in accordance with Section 414 of the
Charter of the City of Riverside. This ordinance shall become
effective on the 30th day after the date of its adoption.

ADOPTED by the City Council and signed by the Mayor and
attested by the City Clerk this 5th day of January, 1982.


Mayor of the City of Riverside

Attest:


City Clerk of the City of Riverside

12/21/81
JW/jm

CITY ATTORNEY
RIVERSIDE
CALIFORNIA

1 I, Alice A. Hare, City Clerk of the City of Riverside,
2 California, hereby certify that the foregoing ordinance was
3 duly and regularly introduced at a meeting of the City Council
4 on the 22nd day of December, 1981, and that thereafter
5 the said ordinance was duly and regularly adopted at a meeting
6 of the City Council on the 5th day of January, 1982, by
7 the following vote, to wit:

8 Ayes: Councilmembers Loveridge, Shepard, Mansfield,
9 Bowers, Buster, Digati and Frizzel.

10 Noes: None.

11 Absent: None.

12 IN WITNESS WHEREOF I have hereunto set my hand and
13 affixed the official seal of the City of Riverside, California,
14 this 5th day of January, 1982.

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18 Alice A. Hare
19 City Clerk of the City of Riverside
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CITY ATTORNEY
RIVERSIDE
CALIFORNIA

ORDINANCE NO. 963 (NEW SERIES)

AN ORDINANCE OF THE CITY OF RIVERSIDE, CALIFORNIA,
GIVING THE BOARD OF PUBLIC UTILITIES OF THE CITY OF
RIVERSIDE CHARGE OF THE FIRE AND POLICE TRAFFIC AND
ALARM SYSTEMS, THE ELECTRIC STREET TRAFFIC SIGNALS,
AND THE WAR EMERGENCY AIR-RAID ALARM SYSTEMS.

- - -

The Mayor and Council of the City of Riverside do
ordain as follows:

Section 1: The Board of Public Utilities of the
City of Riverside is by this ordinance given charge of the
fire and police traffic alarm systems, together with the
charge, oversight and upkeep of the electric street traffic
signals and the charge, oversight and upkeep of the war emer-
gency air-raid alarm systems, in accordance with the provisions
of Section 136 of Article VIII of the Charter of the City of
Riverside.

Section 2: Ordinance No. 617 (New Series) is
hereby repealed.

Section 3: The City Clerk shall certify to the
adoption of this ordinance and shall cause the same to be
posted on the bulletin board in the City Hall in said City.

I, G. Albert Mills, City Clerk of the City of
Riverside, California, hereby certify that the foregoing
ordinance was duly and regularly introduced on the 31st day
of March, 1942, and was adopted by the Council of said City
at its meeting held on the 7th day of April, 1942, by the
following vote:

Ayes: Councilmen Rawlings, Williams, Carter,
Barger, Dale, Rathgeber and Harris.

Noes: None.

Absent: None.

IN WITNESS WHEREOF, I have hereunto set my hand and
affixed the official seal of the City of Riverside, California,
this 7th day of April, 1942.

CITY ATTORNEY
RIVERSIDE
CALIFORNIA

G. Albert Mills
City Clerk of the City of Riverside

I hereby approve the foregoing ordinance this 7th day

CERTIFICATE OF THE CITY CLERK

...

STATE OF CALIFORNIA }
COUNTY OF RIVERSIDE } ss.

I, G. Albert Mills, City Clerk of the City of
Riverside, California, hereby certify that the foregoing ordinance
is a full, true and correct copy of Ordinance No. 963 (New Series)
of the City of Riverside, entitled:

AN ORDINANCE OF THE CITY OF RIVERSIDE, CALIFORNIA, GIVING
THE BOARD OF PUBLIC UTILITIES OF THE CITY OF RIVERSIDE
CHARGE OF THE FIRE AND POLICE TRAFFIC AND ALARM SYSTEMS,
THE ELECTRIC STREET TRAFFIC SIGNALS, AND THE WAR EMERGENCY
AIR-RAID ALARM SYSTEMS.

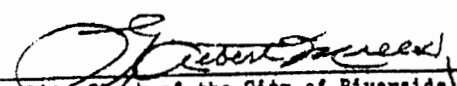
adopted by the Council of said City, at its meeting held on the 7th
day of April , 1942 , by the following vote:

Ayes: Councilmen Rawlings, Williams, Carter,
Barger, Daleo, Rathgeber and Harris.

Noes: None.

Absents: None.

which ordinance is now on file and of record in my office; that the
said ordinance was submitted to the Mayor of said City on the 7th day
of April , 1942 , who, within ten days thereafter, to-wit: on the
7th day of April , 1942 , endorsed his approval thereon; that the
said ordinance was in every respect passed and adopted, approved by the
Mayor, and ~~posted~~ ^{posted} according to the provisions of the Charter of the
City of Riverside.


City Clerk of the City of Riverside

CHARTER REVIEW COMMITTEE
City of Riverside
June 10, 2004, 5 p.m.
Mayor's Ceremonial Room
3900 Main Street

MINUTES

PRESENT: Members Barry Johnson, Marjorie von Pohle, Gar Brewton, Damon Castillo, Dale McNair, Ray Higgins, Rusty Bailey, Marcia McQuern, Dorothy Bailey, Connie Leach, Stan Stosel, Sharon Tyrrell, Art Garcia, and Chair Eric Haley

ABSENT: Mike Teer (excused), Rose Mayes (excused), and Vice-Chair Ben Johnson (excused)

STAFF PRESENT: Colleen Nicol, Gregory Priamos, Judy Truett, and Tricia Ruiz

ALSO PRESENT: Phyllis Purcell, Barbara Purvis, Gina Garcia, and others

Chair Haley convened the Charter Review Committee meeting at 5 p.m.

The Pledge of Allegiance was given to the Flag.

ORAL COMMUNICATIONS FROM THE AUDIENCE

There were no oral communications at this time.

MINUTES

Motion was made by Member Brewton and seconded by Member Higgins to approve the Minutes of May 27, 2004, as presented, and amending page CRC-55 Minutes to read "Motion was made by Member Barry Johnson and seconded to approve the Minutes of April 22, 2004,..." and page CRC-58 to delete the final two sentences of the second paragraph. Motion carried unanimously.

DISCUSSION AND DELIBERATION

Chair Haley favors reconsideration of the Mayoral election in even-numbered years at a later meeting when as many Committee members as possible can be present. Member McQuern noted that all votes are tentative and subject to finalization prior to recommendation to the City Council. Member Brewton feels that issue is closed. Member Garcia recalled that Committee votes are tentative and all will be revisited. It would be appropriate for a person who voted in the majority to forward a motion to reconsider the issue at a future meeting. Chair Haley does not expect to revisit issues that were unanimously carried. Member Castillo concurs that the matrix contains substantive issues that received preliminary votes and supports continuing that process.

Increase Youth Involvement In Boards/Commissions

Member Leach reminded the Committee of the City Council's formation of the Youth Council which was intended to serve as a City Commission. She proposes amending the Charter to provide that all appointments to a board or commission must be a resident and elector with the exception of minors, that youth hold two-year terms, that appointed youth serve as preferential members where their votes are recorded in the minutes but not counted similar to school boards, and that the City Attorney be requested to draft the appropriate language. Member Leach introduced youth present at the meeting.

Gina Garcia supports the proposal noting that four-year terms would be impractical for youth members. Further, she supports the preferential voting status for youth members of boards and commissions.

A second student noted that the Human Relations Commission currently has youth serving on the Commission and he feels additional youth participation is appropriate.

Member McQuern asked if this would require youth membership on all boards and commissions. Member Leach answered that this proposal would allow youth membership, but not require such. Youth participation on some commissions may not be appropriate such as the Community Police Review Commission. In answer to Member Castillo's question, Member Leach explained the youth appointment process which differs from the appointment process for other boards and commissions.

It was moved by Member McQuern and seconded by Member Garcia to approve the proposed Charter amendment allowing youth that reside in Riverside to serve on City boards and commissions and limiting the term to two years.

Member Higgins read a recent LA Times article citing a report by the National Institute for Mental Health and UCLA which states that teenage minds cannot fully reason. The last areas of the brain to mature are those responsible for reasoning, problem-solving, and other sophisticated problems. Maturing occurs between the ages of eighteen and twenty-one. Twenty years ago or more, schools started using peer courts, which he opposes. Teachers hold that responsibility. The Youth Council as presently composed is fine, but membership on other boards and commissions is not appropriate.

Member Castillo stressed it is important to review the context of research. Youth participation on boards and commissions is an important training opportunity and the preferential vote is important. Young people should be encouraged to participate and allowed to have a voice in the community.

Member von Pohle noted that boards and commissions are obligated to the City Council. Committees such as the Youth Council report to the Mayor. The Mayor has the power to appoint Committees such as the former Budget Committee. There are sufficient applicants for boards and commissions. Member von Pohle supports the Youth Council, but not participation on all boards and commissions. Youth can participate in any public meeting.

Member Brewton sees youth as our future and supports youth service on boards and commissions. Terms could be limited to one year for no more than two consecutive terms, which was subsequently accepted as a friendly amendment to the motion. Member Garcia

summarized the points for debate on this issue. Member Leach clarified that the Youth Council is advisory to the City Council. Chair Haley noted the positive participation of youth when he campaigned for a City Council seat. A preferential vote grants standing at the table for youth. This proposal is important for developing future leaders.

Member Stosel favors the motion and noted that some youth mature earlier than what the cited study noted. Member Brewton feels that association of youth with adults assists with transition to adulthood. Member McNair reminded the Committee that eighteen-year-olds are protecting our Country. Member von Pohle questioned seating at meetings if boards/commissions exceed nine members. Member Garcia reported on his participation in Youth Day at La Sierra High School as a student and concurred in the importance for youth to be involved at an early age.

City Attorney Priamos restated the motion proposing amendment to the Charter to provide for the appointment of minors to boards and commissions; such youth must otherwise qualify as an "elector" under the law; terms shall be for one-year serving not more than two consecutive terms; and preferential voting would be granted wherein youth vote is recorded in the minutes, but not counted towards a quorum or formal action of the board. This format would allow the City Council to decide if youth service on each board and commission was appropriate. Under the Charter the City Council sets the number of members for each board or commission as not less than seven.

Member Brewton suggested substitution of "youth" for "minor". City Attorney supports the use of "minor" as it has legal significance. In answer to Member Higgins question, City Attorney Priamos noted the fiscal impact of this proposal is de minimus.

Motion carried with Members Higgins and von Pohle voting no.

Board of Public Utilities – Contract Awards

Public Utilities Director Evans explained the proposal to allow the Board of Public Utilities to award budgeted contracts for routine work without further City Council action which will increase efficiency by reducing approval time following receipt of bids.

Member McQuern noted that the City Council has Budget control. Mr. Evans confirmed that unbudgeted projects would require City Council approval. In response to Member Leach's question, Mr. Evans explained that if any contract exceeds the established change order limit, City Council approval would be required. Answering Member Dottie Bailey's question, Mr. Evans explained that financial limits would be set by the approved budget. Most of the contracts are from \$50,000 to \$1 or \$2 million. There are rare exceptions which have had special approval process from the City Council.

Member Castillo asked if there was a fiscal consequence of the current process not being timely. Mr. Evans explained that delays could be caused by the City Council summer meeting schedule. Member Brewton noted a complaint of government is redundancy, but that is a part of the checks and balances. He feels this issue should be coming from the City Manager to the City Council, not from this Committee. Chair Haley noted this proposal affects Charter language and sees it as part of the Committee's charge. Mr. Evans noted that the City Manager has endorsed these recommendations.

Member Stosel requested an explanation of the budget process. Mr. Evans explained that projects are approved by the City Council within the Capital Improvement Program where projects are specifically called out. The Public Utilities Department has limited flexibility to move funds from one project to another, however, City Council approval is required if the funding level was over the budgeted amount.

Board of Public Utilities' Member Dave Barnhardt noted his prior experience in the public works bidding process with the City of Pasadena and the County of Riverside. These projects are costly, but there is very little discretion. The public bidding process automatically awards to the lowest responsible bidder. Bid protests are heard before the City Council. The proposed Charter amendment would save one month in the process.

Board of Public Utilities' Chair Jim Anderson clarified that the Board is responding to the Charter Review Committee's request for suggestions. He supports the proposed amendments.

Member von Pohle reminded the committee that the contractor for the Janet Goeske Center addition filed for bankruptcy. It was noted that is a rare occurrence and in this case would have no effect on the General Fund as all utility revenue and expenditures are dependent on fees.

It was moved by Member Stosel and seconded by Member McQuern to authorize the Board of Public Utilities to award contracts over \$50,000 within the approved City budget without further City Council approval. Member Higgins asked how the community would become aware of these projects. Mr. Evans noted that contracts appear on the Board of Public Utilities agenda, are listed in the adopted budget, and are included in monthly reports to the Board and City Council.

Motion carried with Members Brewton and Dorothy Bailey abstaining.

Board of Public Utilities – Customer Requests

Mr. Evans noted this matter relates to the Electric and Water Rules adopted by the City Council which provide for how the Utility physically connects to the customer. It is proposed that the Public Utilities Director be authorized to implement the work without action by the Board of Public Utilities. Chair Haley noted this affects timely response to economic development proposals. Mr. Evans noted this also applies to single-family residences. It was moved by Member McQuern and seconded by Member Castillo to provide that customer-requested work provided under the rules adopted by the Board of Public Utilities and City Council be exempt from approval requirements, subject to ratification of the Board after the fact.

In response to Member Leach's question, City Attorney pointed to Section 1202(b), paragraph two as the pertinent Charter section. This proposal would add "customer-requested work". Motion carried with Member Brewton abstaining.

Public Utilities Director – Long Term Contracts

Public Utilities Director Evans requests an amendment to authorize the Director to negotiate long term contracts with large users without City Council approval subject to establishment of criteria in the Rules. Member Garcia noted there would be guidelines and restrictions for negotiation of these contracts. He recalled Governor Davis' energy contracts that proved dissatisfactory for the State. Director Evans noted this proposal does not affect the Utilities'

purchase of power, but the sale of power to large users. There are approximately twenty of these contracts currently.

Member Leach asked if this is the same issue as visited by the City Council recently wherein apartment buildings would receive reduced electric rates. Mr. Evans clarified that proposal related to water rates for an entire group of customers. This proposal affects individual power customers on a case-by-case basis. Member McQuern asked for disadvantages of receiving City Council approval for each contract. Mr. Evans noted this is a matter of time and implementation of negotiations.

Member Brewton explained he is abstaining on these issues as he doesn't understand the relationship between the City Council and the Board of Public Utilities. He sees this as further detachment and is unaware of the affect of that change. City Council overview of major issues is important. Chair Haley suggested review of a few specific contracts for clarification.

Member Higgins reported there was an elected official involved in negotiation of the current contract with UCR. The parameters were not approved by the City Council. He supports the City Council setting the parameters so these contracts will not be motivated by one person. Member McNair asked if UCR could select their utility provider. Mr. Evans reported that option is not available under law. However, there is continuing movement in Sacramento to allow large customers to have that option. The proposed Charter amendment would assist in dealing with that pressure.

Member Stosel supports the proposal. California is still recovering from deregulation. This proposal provides flexibility. The Utility is run as a business and should be run without politics. These matters should be handled by professionals.

It was moved by Member Higgins and seconded by Member Stosel to provide the Public Utilities Director with full authority to enter into long-term contracts to provide water and power in accordance with Board of Public Utilities and City Council approved tariffs based on current cost of service studies up to seven years in length.

Member Tyrell asked if this is seen as a tool for the Red Team in support of customer retention. Member von Pohle asked if this proposal is fair to the private citizens. Chair Haley noted that is a larger issue regarding differential pricing and rebates. Member Dottie Bailey asked if this could be addressed at a future meeting. Chair Haley noted that all issues will be reviewed for final approval at a future meeting. Member Stosel noted that negotiated lower rates for large consumers would assist in retaining customers. Residential rates could even increase if large customers are lost. Member Brewton asked if this had been proposed before. Mr. Evans responded that competition and changes in the industry are driving this proposal. When the Charter was approved, these issues were not envisioned.

City Attorney Priamos reminded the Committee that final language will be presented to the Committee for final approval. Member Garcia noted he currently works for Goodrich Corporation who holds such a contract for lower utility rates with the City. City Attorney Priamos notified Member Garcia that he may participate in the vote.

Motion carried with Members Leach and Dottie Bailey voting no.

Phyllis Purcell asked what the remedy is if workmanship and materials are shoddy and was referred to the Public Utilities Director.

Members Tyrell and Brewton left the meeting at this time.

Cash Management – Capital Project Fund – Independent Audit

Following limited discussion and without formal motion, the Committee unanimously supported the typographical corrections (1) changing "Transfer" to "Transfers" in Section 1110 relating to cash management; (2) changing "B" and "C" to "b" and "c", respectively, in paragraph (a) of Section 1111 relating to the capital project fund; and (3) changing "audit and report" to "audit report" in Section 1113 relating to the independent audit.

Preamble – Continued

Members Castillo and Rusty Bailey introduced the proposed Preamble language for the committee's consideration as distributed to the Committee within the past month. Following limited discussion, consideration of the Preamble was continued to later in the meeting to allow staff to distribute copies of the proposed language.

Public Works Contracts Security/Bonds

City Attorney Priamos reviewed the proposal which would allow for different methods of credit to be used that are possible through technology such as electronic transfers. The proposal would allow the City Council to authorize posting of security using new credit tools. The recommendation requests revising Charter Section 1109, paragraph 2, first sentence, to read, "All bids shall be accompanied by a certified or cashier's check, the bidders bond executed by a corporate surety authorized to engage in such business in California made payable to the City, or such other form of bidder's security as the City Council establishes by Ordinance."

It was moved by Member McQuern and seconded by Member Castillo to approve the proposal as submitted by the City Manager. The motion carried unanimously.

In response to Member Brewton's remarks, the City Attorney will investigate and report back to the Committee as to whether it is appropriate that the surety company be required to be a United States company. The matter will be reagendized if needed.

General Obligation Bonds – Mail Ballot Elections

Chair Haley introduced the proposal to amend the Charter to extend the opportunity for mail-in ballot elections to general obligation bonds. City Attorney Priamos commented that when the City considered the general obligation bond election for Measure G, the question arose if the election could proceed by mail-in ballot which is significantly less expensive. Bond counsel indicated that since there was no specific authorization in the Charter, that the City could not do so. This proposed amendment grants the City Council authority to adopt such an ordinance.

It was moved by Member Brewton and seconded by Member McQuern in support of the granting the City Council authority to adopt an ordinance authorizing mail-in ballot elections for

general obligation bonds. Member Dottie Bailey does not favor mail-in ballot elections. Upon further clarification, Member Dottie Bailey supported the motion. Motion carried unanimously.

Member von Pohle announced that the City's total bonded indebtedness is \$1,330,000,000.

Preamble

The Committee reviewed the draft Preamble language prepared by the subcommittee and distributed to the Members. Member Higgins does not feel that "advanced education opportunities" has any application to governance. Members Stosel and McQuern suggested deletion of the word "education".

Member McQuern suggested deletion of "a" in the phrase "governed by a responsible and responsive public servants". The Committee concurred to delete the "a". It was clarified that the bracketed words are suggestions for substitute wording.

Member Rusty Bailey disagrees and feels that the City does have a role in education. Member Brewton suggested substituting "officials" for "servants". City Attorney Priamos noted that public officials do not govern. At the suggestion of Member Brewton, "therefore, adopt this Charter as a moral standard for our government and those that serve it, under the Constitution of the State of California" was deleted.

Following further discussion, it was moved by Member Brewton and seconded by Member von Pohle approving the following Preamble language:

"We, the people of the City of Riverside believe in promoting an inclusive community with shared economic, environmental and cultural prosperity, equal civil and political rights, social harmony and cohesion, and opportunities for all; governed by responsible and responsive public officials who promote citizen participation, as well as just and equitable tax and financial policies; and rooted in our desire to enhance the uniqueness of the City of Riverside."

Motion carried unanimously.

Ward Representation on Boards/Commissions

Chair Haley identified the proposal to increase Ward representation on boards/commissions. It was moved by Member Brewton and seconded by Member Castillo that each Councilmember nominate a member to each board and/or commission from their respective Ward. Subsequently, the motion was amended to substitute "appoint" for "nominate".

Member Leach suggested that the Charter require each board and commission have representation from each Ward. City Attorney Priamos indicated that the Charter requires no less than seven members who serve at the pleasure of the Mayor and City Council, nominated and appointed by the City Council.

Marjorie von Pohle disagrees with the proposal as Council-appointed members will be obligated to that Councilmember and their beliefs. Board/commission members should be free to make their own decisions. Chair Haley indicated that he did not observe any such obligation among members of the Charter Review Committee.

Member Higgins commented that the Mayor's Nominating and Screening Committee reviews applications and selects those to be interviewed. 40% of all board and commission members are from Ward 4. City Clerk Colleen Nicol clarified that the Mayor's Nominating and Screening Committee makes recommendations for those applicants to be interviewed by the Mayor and full City Council and that any individual Councilmember may add a name to the interview list.

Member Brewton believes that Councilmembers are capable of selecting quality members to boards and commissions. He favors a representative from every Ward on each board and commission. Member Leach agreed that all wards are not equally represented and that perhaps Councilmembers should market the opportunity to serve within their wards. Member McNair suggested that the Charter require an attempt to equally represent the wards. Chair Haley felt that could be addressed by City Council policy rather than a Charter amendment and this could be included in the final report as a recommendation to the City Council.

City Attorney Priamos restated the motion that every board or commission shall have a representative from each Council ward.

Motion failed for lack of eleven affirmative votes with Members von Pohle, McNair, McQuern, and Haley voting no and Member Stosel abstaining.

Future Deliberation and Report to the City Council

Chair Haley suggested remaining issues be clustered for discussion purposes. At the request of the City Council, an interim report will be presented at the City Council meeting of June 22, 2004, with a final report from the Committee on July 13, 2004. Due to the timing of upcoming City Council meetings, staff work required to prepare ballot language and the resolution calling the election, and the need to call the election timely for placement of these issues on the November 2004 ballot, it is imperative that the Committee finish its work for the final report as scheduled. Following discussion, the members agreed to tentatively hold July 1 if an additional meeting is needed. The Committee concurred with Member Dottie Bailey's suggestion that the next Committee meeting be extended later into the evening to allow more time for deliberation. The City Attorney offered to sponsor dinner for the Committee at the next meeting.

The Committee adjourned at 7:12 p.m.

Respectfully submitted,


COLLEEN J. NICOL
City Clerk

RESOLUTION NO. 20943

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERSIDE, CALIFORNIA, (1) ADOPTING ADMINISTRATIVE MANUAL PROFESSIONAL CONSULTANT SERVICES SELECTION PROCEDURES AND CITY MANAGER AUTHORITY LIMITS OF \$50,000 (A) IN ACCORDANCE WITH VOTER-APPROVED MEASURE MM FOR PUBLIC UTILITIES DEPARTMENT AND (B) FOR OTHER DEPARTMENTS AT SAME LEVELS AS PUBLIC UTILITIES DEPARTMENT; (2) SETTING MONETARY LIMITS OF CITY MANAGER AUTHORITY OF \$50,000 FOR NEGOTIATED CONTRACTS; AND (3) REPEALING RESOLUTION NO. 18277.

WHEREAS, under the provisions of Section 419 of the City Charter of the City of Riverside, the City Council may authorize the City Manager or other designated officers to bind the City to contracts for, among other things, services to be rendered to the City included within the budget approved the City Council, and may impose monetary limits upon such authority; and

WHEREAS, by Resolution No. 20557 adopted October 21, 2003, the City Council established procedures and monetary limits of City Manager authority of \$25,000 to procure goods, public works construction work and non-professional services; and

WHEREAS, on July 6, 1993, the City Council adopted Resolution No. 18277 establishing the procedures and monetary limits of City Manager authority of \$25,000 for obtaining professional services for the City pursuant to Administrative Manual Sections II-4 and II-5; and

WHEREAS, on November 2, 2004, the voters of the City of Riverside approved Measure MM, among others, which measure amended the City of Riverside City Charter; and

WHEREAS, Measure MM revised Section 1109 of the City Charter to allow the Board of Public Utilities to award bids and execute contracts exceeding \$50,000 for construction, goods or services for the public utilities, provided such bid awards and contracts are within the limits of the budget of the department of public utilities, which budget has been approved by the City Council; and

WHEREAS, it is desirable to adopt a resolution establishing rules and regulations for obtaining professional services and negotiated contracts for the Department of Public Utilities consistent with Measure MM, for establishing monetary limits of City Manager authority similar to Measure MM's \$50,000 limits for such contracts for all City departments, and to authorize the City Manager to execute all contracts awarded or authorized in accordance with this resolution; and

1 NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Riverside
2 California:

3 Section 1: That the procedures and monetary limits of authority for obtaining professional
4 services, for the City of Riverside and for the Department of Public Utilities, set forth in Administrative
5 Manual Sections 2.004.000 and 2.005.000, attached hereto as Exhibit "A" and incorporated herein by
6 this reference, are hereby adopted.

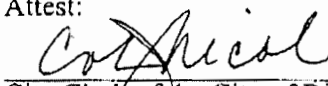
7 Section 2: That the monetary limits of authority to enter into contracts negotiated under and in
8 compliance with the provisions of Administrative Manual Section 07.014.00 are hereby set at \$50,000
9 for the City Manager and \$10,000 for Department Heads.

10 Section 3: That Resolution No. 18277 is repealed.

11 ADOPTED by the City Council and signed by the Mayor and attested by the City Clerk this 17th
12 day of May, 2005.

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14 Mayor of the City of Riverside

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16 Attest:

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18 City Clerk of the City of Riverside
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I, Colleen J. Nicol, City Clerk of the City of Riverside, California, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a meeting of the City Council of said City at its meeting held on the 17th day of May, 2005, by the following vote, to wit:

Ayes: Councilmembers Bctro, Moore, Gage, Schiavonc, Adkison, Hart, and Adams

Noes: None

Absent: None

IN WITNESS WHEREOF I have hereunto set my hand and affixed the official seal of the City of Riverside, California, this 17th day of May, 2005.



City Clerk of the City of Riverside

EXHIBIT "A"

Administrative Manual Section 2.004.000

and

Administrative Manual Section 2.005.000

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City of Riverside

**Administrative Manual**

Effective Date:	06/2005	Approved:	
Review Date:	06/2008		
Prepared by:	City Manager		Department
			City Manager

SUBJECT:**Contracting for Professional Services when fees are in excess of \$50,000.****PURPOSE:**

To establish procedures for obtaining professional services when the expected fees are in excess of \$50,000.

POLICY:

Professional Services include architectural, engineering, planning, financial and other consulting services such as advisory, information technology, surveying, research and/or developmental services, which involve the exercise of professional discretion and independent judgment based on an advanced or specialized knowledge, expertise or training gained by formal studies or experience.

This policy shall not be construed as pertaining to the retention of outside legal counsel or the retention of bond counsel pursuant to the City Charter.

Professional services shall be retained on the basis of:

- A firm's demonstrated competence;
- Professional qualifications;
- Fair and reasonable prices; and
- Ability to meet City's time schedule(s) for the project.

Number: 02.004.00

PROCEDURE:

Responsibility	Action
Originating Department	1. Determines the need for professional services as approved by the City Council in the budget or arranges for required funds.
	2. Obtains current files from Purchasing on qualified consultants in appropriate categories and specialties. As part of the consultant selection process, each department may determine a logical time period to submit Request for Qualifications for pre-qualification of consultant firms as a means of maintaining current files with Purchasing on qualified consultants.
	3. Coordinates with other City departments that will be affected by the planned project as follows: a. Capital improvement projects (except those for Public Utilities): Representatives from originating department, Public Works, Park & Recreation or Administrative Services Department, Real Property Services Division, Legal Department and City Manager's Office, and any other directly affected departments. b. Public Utilities Capital Improvements: Representatives from Public Utilities Department, Real Property Services Division, Legal Department, and City Manager's office.
	4. Prepares and submits a memorandum to the City Manager requesting approval to issue a Request for Proposal, or waiver of selection process. Memorandum should include a detailed project description, cost estimates for services required, and a progress and coordination schedule. The consultant selection process may be waived by the City Manager under the following circumstances: a. In cases of emergency or immediate need for services; b. The services required are so special and unique as to be provided by only one qualified consultant; or c. The City Manager determines waiver is in the best interest of the City.

PROCEDURE:

Responsibility	Action
City Manager	<p>5. Reviews memorandum and determines if waiver of selection process is appropriate (Step #14), or if the issuance of a Request for Proposal is necessary.</p> <p>a. If request for waiver of selection process is approved, City Manager authorizes Originating Department to proceed with obtaining proposal from selected consultant (Step #13).</p> <p>b. If a Request for Proposal is necessary, City Manager determines if a City Council member, or for Public Utilities' projects, if a Board member, should serve on consultant selection committee (Step #6).</p>
	<p>6. Reviews memorandum and determines if project will have significant effect on the City requiring a City Council member or RPU Board member to serve on a consultant selection committee.</p> <p>a. If project is determined to have a significant effect on the City, City Manager notifies Originating Department and requests that City Council or RPU Board agenda report be prepared and submitted to City Council or RPU Board for review <u>for the option</u> of selecting a representative to serve on a consultant selection committee (Step #7).</p> <p>b. If project is <u>not</u> considered to have a significant effect on the City, City Manager returns memorandum to Originating Department with approval to proceed with consultant selection process (Step #8).</p>
City Council/RPU Board	<p>7. Takes appropriate action and determines, <u>at its option</u>, if Council member(s) or RPU Board member(s) shall serve on a Consultant Selection Committee.</p>
Originating Department	<p>8. Establishes a Consultant Selection Committee, if necessary. Consultant Selection Committee shall consist of at least three qualified members to be selected from the Originating Department, other City departments the project may impact, members of relevant boards and commissions, or the City Council if the City Council has designated a representative to serve on the Consultant Selection Committee. Originating Department Head shall designate a consultant Selection Committee chairman.</p> <p>If no Selection Committee is necessary, Originating Department shall perform duties otherwise assigned to the Selection Committee.</p>

PROCEDURE:		
Responsibility		Action
	9.	Prepares and, following City Attorney review and approval thereof, submits to a minimum of three (3) consultant firms a Request for Proposal (RFP) with detailed project description, a draft contract, other required documents and appropriate consultant questionnaire. Request for Proposal should include all necessary information that must be included in each consultant's proposal and should define the scope of the work to be done with sufficient detail that the consultant can submit estimated fee data for budgetary purposes and review.
	10.	Reviews the proposals submitted by the prospective consultants to conduct pre-screening and pre-qualification based on the following factors: demonstrated competence and qualifications for the types of services to be performed at fair and reasonable prices; record of the firm in accomplishing work on other projects in required time; quality of work previously performed by the firm for the City; and recent experience showing accuracy of cost estimates. Selects and invites a reasonable number of firms to appear before the selection committee at a specified time and place for formal presentations and discussions of their proposals.
Selection Committee or Originating Department	11.	Interviews the prospective consultants and makes the final selection as to the consultant firm based on demonstrated competence and qualifications for the types of services to be performed at fair and reasonable prices; record of the firm in accomplishing work on other projects in required time; quality of work previously performed by the firm for the City; and recent experience showing accuracy of cost estimates. Fees may be discussed in the interview to confirm the accuracy of the estimated fee, explore the cost of optimal services, or suggestions by the consultant on ways to reduce costs.
	12.	Ranks the other firms interviewed in the event a contract cannot be negotiated with the selected firm.
	13.	Notifies selected firm and requests selected firm to submit a written scope of work and a firm fee proposal covering the requirements for the work to be performed by the consultant.
	14.	Reviews scope of work and fee proposal.
Originating Department	15.	<p>Negotiates a fee that is within the funds available for this project.</p> <ul style="list-style-type: none"> a. If, after reasonable effort, a contract cannot be negotiated with suitable terms, the negotiations with the designated consultant shall be terminated in writing and negotiations shall be started with the consultant rated number 2. b. In no case shall renegotiation be entered into with the first consultant firm after negotiations have started with firm rated number 2.

PROCEDURE:		
Responsibility		Action
	16.	Prepares and forwards draft contract to City Attorney for review.
City Attorney	17.	Reviews the draft contract.
	18.	Returns the draft contract to the Originating Department for preparation of final form.
Originating Department	19.	Determines if selected firm is required to file conflict of interest forms, and notifies City Clerk.
City Clerk	20.	Sends conflict of interest forms to selected firm, if necessary.
Originating Department	21.	Sends contract to consultant for execution.
	22.	Prepares a City Council or RPU Board agenda report regarding the selection of the consultant firm, the scope of work to be performed, and the fee proposal, and submits it to the City Manager, City Attorney and Finance Director for approval. If the waiver of consultant selection process was approved by the City Manager, agenda report <u>must</u> include a statement addressing the waiver and justification therefore. If a board, commission or committee is involved, submits the report to that board, commission or committee through the appropriate department director for approval prior to sending it to the City Manager. If Public Utilities Department is the Originating Department and funds for the consultant agreement were not included in the City Council approved budget, then City Council approval is required in addition to RPU Board approval.
	23.	Upon receipt of the executed contract, submits to City Attorney for approval as to form.
	24.	Upon receipt of the required insurance documents, submits to Risk Manager for approval as to form.
City Attorney	25.	Approves contract as to form and forwards to City Clerk
Risk Manager	26.	Approves required insurance documents as to form and forwards to City Clerk.
City Manager	27.	Submits report to the City Council, or if Public Utilities is the Originating Department submits report to RPU Board and if required under #22 to City Council.
City Council/RPU Board	28.	Takes appropriate action.
	29.	When approved, authorizes execution of the contract with the selected firm.

Number: 02.004.00

PROCEDURE:		
Responsibility		Action
Originating Department	30.	Notifies selected firm of City Council or RPU Board approval. Sends letter with selection decision to firms interviewed, but not selected.
City Clerk	31.	Ensures that the contract and certificates of insurance have been approved as to form and that originals are on file in the City Clerk's Office.
City Manager and City Clerk	32.	Executes and attests contract based on City Council or RPU Board approval.
City Clerk	33.	Processes approved documents. Notifies Originating Department, City Attorney, Purchasing, Risk Management and Finance Administration of contract execution indicating that scanned contract will be available online within 24 hours.
	34.	Establishes "tickler file" for expiration dates for insurance and contract.
Originating Department	35.	Prepares Purchase Requisition in duplicate, with description of work to be performed, or service to be provided. States date approved by City Council or RPU Board on the Requisition.
	36.	Forwards original copy of Purchase Requisition to Purchasing Division with copy of City Council agenda report and retains the duplicate copy in Originating Department files.
Purchasing	37.	Upon receipt of properly prepared Purchase Requisition and verification of approval level(s), prepares Purchase Order to encumber necessary funds.
	38.	After notification by City Clerk that contract documents have been executed, releases Purchase Order for processing.
Originating Department	39.	Upon completion of the work by the consultant, notifies City Clerk so the firm can be removed from "tickler file".
	40.	Prepares a one page summary evaluation of the consultant's handling of project upon completion or termination of the contract including the following data: Name of consultant; date of contract and date of completion; cost as stated in initial contract, amount paid, reason for any difference; names of key personnel working on the project; special strengths or weaknesses exhibited by consultant; major problems encountered. Summary will be filed with originating department, and Purchasing Division.

Distribution: Regular
 Adopted by Resolution No. _____, on _____
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City of Riverside Administrative Manual



Effective Date: 06/2005
Review Date: 06/2008
Prepared by: City Manager

Approved: _____

Department

City Manager

SUBJECT:

Contracting for Professional Services when fees are \$50,000 or less.

PURPOSE:

To establish an expedient procedure for obtaining professional services when the fees are \$50,000 or less.

POLICY:

Professional Services include architectural, engineering, planning, financial, and other consulting services such as advisory, information technology, surveying, research and/or developmental services, which involve the exercise of professional discretion and independent judgment based on an advanced or specialized knowledge, expertise or training gained by formal studies or experience.

This policy shall not be construed as pertaining to the retention of outside legal counsel or the retention of bond counsel pursuant to the City Charter.

Professional services shall be retained on the basis of:

- A firm's demonstrated competence;
- Professional qualifications;
- Fair and reasonable prices; and
- Ability to meet City's time schedule(s) for the project.

PROCEDURE:

Responsibility	Action
Originating Department	1. Determines the need for professional services.
	2. Obtains current files from Purchasing on qualified consultants in appropriate categories or specialties. As part of the consultant selection process, each department may determine a logical time period to issue a Request for Qualifications for prequalification of consultant firms as a means of maintaining current files with Purchasing on qualified consultants.

PROCEDURE:

Responsibility	Action
	<p>3. Prepares a Request for Proposal (project description and scope of work required) and contacts, in writing, a minimum of three (3) qualified consultants and invites them to submit a proposal.</p> <p>City Manager may authorize Originating Department to contact only one qualified consultant under the following circumstances:</p> <ul style="list-style-type: none"> a. In cases of emergency or immediate need for services; b. The services required are so special and unique as to be provided by only one qualified consultant; or c. If it is determined to be in the best of the City. <p>If the Originating Department is requesting authorization to contact only one consultant, a written recommendation shall be prepared by the Department Head or his/her designee and forwarded to the City Manager for approval, justifying why only one consultant will be contacted.</p>
City Manager	4. Approves recommendation and returns to Originating Department with authorization to continue with consultant selection process (Step #5), or requires Originating Department to contact additional firms (Step #3).
Originating Department	<p>5. Reviews proposal(s) and selects qualified consultant based on: availability, demonstrated competence and qualifications for the types of services to be performed at fair and reasonable prices, record of timely completion of other projects, and previous service to the City of Riverside. Interviews prospective consultants, if necessary.</p> <p>6. Prepares draft contract which includes specific information on scope of work to be performed or service to be provided, time limits, payment terms, insurance and indemnification provisions, and any other necessary information or provisions.</p> <p>7. Forwards draft contract to the City Attorney for review.</p>
City Attorney	8. Reviews draft contract and returns it to Originating Department for preparation of final form.
Originating Department	9. Determines if selected firm is required to file conflict of interest forms, and notifies City Clerk.
City Clerk	10. Sends conflict of interest forms to selected firm, if necessary.
Originating Department	<p>11. Sends contract to consultant for execution.</p> <p>12. Receives executed contract and required insurance documents:</p> <ul style="list-style-type: none"> a. If funds for contract are included Originating Department's approved budget:

PROCEDURE:

Responsibility	Action
	<ul style="list-style-type: none"> i. Submits contract to Finance Director for certification as to fund availability; submits contract and required insurance documents to City Attorney for approval as to form; (Step #16). ii. Submits contract to City Attorney for approval as to form (Step #13); and iii. Submits required insurance documents to Risk Manager for approval as to form (Step #14).
	<ul style="list-style-type: none"> b. If funds for contract are not included in Originating Department's approved budget: <ul style="list-style-type: none"> i. Prepares a City Council agenda report regarding selection of consultant firm, scope of work to be performed, fee proposal, and budget transfer information and submits to City Manager, City Attorney and Finance Director for approval. If Advisory Board exists, Originating Department may submit report to such board for approval prior to sending to City Manager. (Step #13) ii. Submits contract to City Attorney for approval as to form. (Step #13) iii. Submits required insurance documents to Risk Manager for approval as to form (Step #14).
City Attorney	13. Approves contract as to form and forwards to City Clerk.
Risk Manager	14. Approves required insurance documents as to form and forwards to City Clerk.
City Manager	15. Schedules item on Council agenda, if necessary.
City Council	16. Takes appropriate action.
	17. When approved, authorizes budget transfer and execution of contract with selected firm.
City Clerk	18. Ensures that the contract and insurance documents have been approved as to form and that originals are on file in the City Clerk's Office.
City Manager or Department Head and City Clerk	19. City Manager executes contract based on appropriate approvals, or if contract does not exceed \$10,000 Originating Department Head may execute the contracts with City Clerk's attestation of signature.
City Clerk	20. Processes approved documents. Notifies Originating Department, City Attorney, Finance Administration, Purchasing and Risk Management of contract execution, indicating that scanned contract will be available online within 24 hours.
	21. Establishes "tickler file" for expiration dates for contract and insurance.

Number: 02.005.00

PROCEDURE:

Responsibility	Action
Originating Department	22. Prepares Purchase Requisition in duplicate, with description of work to be performed, or service to be provided. Also, if City Council or RPU Board approval was required, states date approved by City Council or RPU Board on the Purchase Requisition.
Purchasing	23. Forwards original copy of Purchase Requisition with copy of contract to Purchasing and retains the duplicate copy in Originating Department files. 24. Upon receipt of properly prepared Purchase Requisition and verification of approval level(s), prepares Purchase Order to encumber necessary funds. 25. After notification by City Clerk that contract documents have been executed, releases Purchase Order for processing.
Originating Department	26. Upon completion of work by consultant, notifies City Clerk so firm can be removed from "tickler file" 27. Prepares a one page summary evaluation of the consultant's handling of project upon completion or termination of the contract including the following data: Name of consultant; date of contract and date of completion; cost as stated in initial contract, amount paid, reason for any difference; names of key personnel working on the project; special strengths or weaknesses exhibited by consultant; major problems encountered. Summary will be filed with Originating Department, and Purchasing Division.

Distribution: Regular

Adopted by Resolution No. _____, on _____.

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1 RESOLUTION NO. 23256

2 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERSIDE,
3 CALIFORNIA ESTABLISHING RULES AND REGULATIONS FOR THE
4 PROCUREMENT OF GOODS, SERVICES AND CONSTRUCTION
5 CONTRACTS AND ESTABLISHING CONTRACT EXECUTION
6 AUTHORITY, HEREINAFTER TO BE KNOWN AS THE PURCHASING
7 RESOLUTION; AND REPEALING RESOLUTION NO. 22576.

8 WHEREAS, the City Manager, subject to approval of the City Council, is authorized and
9 directed by Article VI, Section 601 (d) of the Charter of the City of Riverside, Article XI, Section
10 1105 of the Charter of the City of Riverside, and Chapter 3.16 of the Riverside Municipal Code to
11 prepare and recommend adoption of rules and regulations governing the contracting for and the
12 procuring, purchasing, storing, distributing and disposing of all supplies, materials and equipment
13 required by any office, department or agency of the City; and

14 WHEREAS, the City Manager is authorized by Resolution as directed by Article IV,
15 Section 419 of the Charter of the City of Riverside, to bind the City, with or without written
16 contract, for the acquisition of equipment, materials, supplies, labor, services, or other items, if
17 included within the budget approved by the City Council, and may impose a monetary limit upon
18 such authority; and

19 WHEREAS, the City Council desires to consolidate the City's various rules and regulations
20 governing procurements into a single resolution documenting the requirements and to maintain
21 clarity and transparency for the City's procurement policies and procedures.

22 NOW, THEREFORE, IT IS RESOLVED by the City Council of the City of Riverside
23 California, as follows:

24 Section 1: That the following rules and regulations are hereby adopted for the
25 administration of the City's centralized purchasing system:
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10 **ARTICLE ONE: DEFINITION OF TERMS**

11 SECTION 100. Definitions. The words set forth hereinafter in this Resolution shall have

12 the following meanings whenever they appear in these rules and regulations, unless the context in

13 which they are used clearly requires a different meaning:

14 (a) "Awarding Entity" means the City Council when referencing Procurement for the City

15 or for any Using Agency of the City except for the Riverside Board of Public Utilities or Riverside

16 Department of Public Utilities and Board of Library Trustees or Library Department; and means

17 the Riverside Board of Public Utilities when referencing Procurement for the Riverside

18 Department of Public Utilities in accordance with Article XII, Section 1202 of the Charter of the

19 City of Riverside; and means the Board of Library Trustees when referencing Procurement for the

20 Library Department in accordance with Article VIII, Section 808(d) of the Charter of the City of

21 Riverside.

22 (b) "Bid" means an offer or proposal submitted by a Bidder setting forth the price for the

23 Goods, Services, or Construction to be provided.

24 (c) "Bidder" means any individual, firm, entity, partnership, corporation, or combination

25 thereof, submitting a Bid, acting directly or through a duly authorized representative of a Using

26 Agency.

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1 (d) "Change Order" means a City-issued document used to modify a Purchase Order to
2 add, delete, or revise the quantity, price or scope of Goods, Services, Professional Services or
3 Construction being provided.

4 (e) "City" means the City of Riverside.

5 (f) "Competitive Procurement" means a process involving the solicitation under the
6 authority and supervision of the Manager by Formal Procurement or Informal Procurement (all as
7 hereinafter defined) under procedures and circumstances intended to foster effective, broad-based
8 competition within the private sector to provide Goods, Services or Construction to the City.

9 (g) "Construction" means the process of building, altering, repairing, improving or
10 demolishing any public structure or building, or other public improvements of any kind, and
11 includes the projects described in Article XI, Section 1109 of the Charter of the City of Riverside;
12 it does not include routine operation, maintenance or repair of existing structures, buildings or real
13 property by the City's own forces. "Construction" shall also include "public project" as defined in
14 Section 20161 of the California Public Contract Code.

15 (h) "Contract" means any type of legally recognized agreement to provide Goods, Services
16 or Construction, no matter what it may be titled or how described, including executed Purchase
17 Orders, for the Procurement or disposition of Goods, Services or Construction, but does not include
18 any agreement for collective bargaining, utility extensions, subdivision improvements or any
19 agreements whereby an owner of real property or his or her authorized representative agrees to
20 construct improvements of a public nature on property to be dedicated to the City.

21 (i) "Contractor" means any Person (as hereinafter defined) who enters into a Contract with
22 the City.

23 (j) "Cooperative Purchasing" means a purchasing method whereby the Procurement
24 requirements of two or more governmental entities are combined in order to obtain the benefit of
25 volume Procurement or reduction in administrative expenses. Cooperative Purchasing practices
26 may include other agencies who conduct volume procurements on behalf of governmental
27 agencies.

1 (k) "Design-Bid-Build" means a traditional method of construction project delivery
2 involving the selection and award of professional design services followed by a separate process
3 for construction services once the design documents are complete.

4 (l) "Design-Build" means a process involving contracting with a single entity for both the
5 design and Construction of a public works project pursuant to a competitive negotiation process
6 established by City Council ordinance from time to time in accordance with Article XI, Section
7 1114 of the City of the Charter of the City of Riverside and Chapter 1.07 of the Riverside
8 Municipal Code.

9 (m) "Emergency Procurement" means the Procurement of Goods, Services or Construction
10 without utilizing Competitive Procurement in circumstances set forth in Article Three hereof as
11 constituting an "emergency".

12 (n) "Field Order" means in construction projects, a written order passed to the contractor
13 from the City or architect which will effect a minor change in work, requiring no further adjustment
14 to the contract sum or expected date of completion.

15 (o) "Formal Bid" means a written Bid which shall be (1) submitted in a sealed envelope,
16 or electronically, in conformance with a City-prescribed format and procedure, (2) publicly
17 opened, read and-recorded at a City-specified date, time and place, and (3) accepted only by an
18 award made by the Awarding Entity.

19 (p) "Formal Procurement" means Procurement by written Notice Inviting Bids and Formal
20 Bid, Request for Proposals, or Request for Qualifications and includes Procurement of
21 Construction, Goods and Services subject to the bidding requirements of Section 1109 of the City
22 Charter.

23 (q) "Goods" means supplies, materials, equipment and other things included within the
24 definition of "Goods" in Section 2105 of the California Uniform Commercial Code.

25 (r) "Grant" means funding from State, Federal or other sources, which require specific use
26 of the funding provided to the City.

1 (s) "Informal Bid" means an offer, which may be conveyed to the Manager by email, letter,
2 memo, financial system or other means, to provide for stated prices, Goods, Services or
3 Construction, which are not required to be Procured by Formal Procurement; Informal Bids shall
4 be solicited only by City personnel from a Using Agency who are authorized to do so, and for each
5 instance of Procurement by Informal Bid, the authorized personnel shall obtain Informal Bids from
6 at least three different Persons, if possible.

7 (t) "Informal Procurement" means Competitive Procurement by Request For Bid, Request
8 for Proposals or Request for Information submitted by Persons in the Open Market submitted to
9 the Using Agency or Manager.

10 (u) "Life Cycle Cost" means the estimated total cost of Goods, Services or Construction
11 Procured by the City over the useful life of the Goods, Services or Construction based upon their
12 initial Procurement price as adjusted by projected operating, maintenance and related ownership
13 expenses which the City will incur during their useful life.

14 (v) "Lowest Responsive Bidder" means the Bidder or Offeror who submits the lowest
15 responsive Formal Bid, Informal Bid, or Offer in response to the City's invitation or request
16 therefore, as determined by the City.

17 (w) "Manager" means the City's Purchasing Manager, who supervises the City's
18 Purchasing Division located in the Finance Department.

19 (x) "Negotiated Procurement" means the business marketplace in which a User Agency or
20 the Manager, exercising prudent business practices and judgment, would Procure Goods, Services
21 or Construction utilizing a negotiation procedure, subject to approval by the Manager, instead of
22 Informal or Formal Bid.

23 (y) "Open Market" means the private sector business marketplace in which private persons,
24 exercising prudent business practices and judgement, would Procure Goods, Services, or
25 Construction utilizing Informal Bid or Formal bid procedures.

1 (z) "Person" means any individual, partnership, limited partnership, association,
2 corporation, labor union, committee, club, governmental entity or other entity recognized by
3 California law.

4 (aa) "Procure" and "Procurement" mean buying, purchasing, renting, leasing or otherwise
5 acquiring or obtaining Goods, Services or Construction; this also includes all functions and
6 procedures pertaining thereto.

7 (bb) "Professional Services" means advisory, consulting, architectural, information
8 technology, engineering, financial, legal (including claims adjustment), surveying, research or
9 developmental and any other services which involve the exercise of professional discretion and
10 independent judgment based on an advanced or specialized knowledge, expertise or training
11 gained by formal studies or experience.

12 (cc) "Purchase Order" means a City-issued document with any necessary terms and
13 conditions, which authorizes the delivery of Goods, the rendering of Services or the performance
14 of Construction at a stated price and encumbers City funds for the payment therefore; when
15 approved by the City Council through the biennial budget process or at another time during the
16 start of any fiscal year, a Purchase Order shall be referred to as an "Annual Purchase Order."

17 (dd) "Purchase Requisition" means a written request prepared on the requisite City form
18 prepared by the Manager, and submitted by a Using Agency to the Manager for Procurement of
19 specified Goods, Services or Construction.

20 (ee) "Request for Proposals" means a written solicitation issued by the Purchasing
21 Division, through the supervision of the Manager, which (1) generally describes the Goods or
22 Services sought to be Procured by the City, (2) sets forth minimum standards and criteria for
23 evaluating proposals submitted in response to it, (3) generally describes the format and content of
24 proposals to be submitted, (4) provides for negotiation of terms and conditions of the Procurement
25 Contract and (5) may place emphasis on described factors other than price to be used in evaluating
26 proposals.

1 (ff) "Request for Bid" means a written or verbal solicitation issued under the authority and
2 supervision of the Manager for Formal or Informal Bids for described Goods, Services or
3 Construction, which may be Procured by Formal or Informal Procurement.

4 (gg) "Request for Qualifications" means a written solicitation issued by the Purchasing
5 Division, through the supervision of the Manager, which (1) generally describes the Goods or
6 Services sought to be Procured by the City, (2) sets forth in determining what qualified Persons
7 can provide those services by providing minimum standards and criteria for the Goods or Services
8 sought, and (3) generally describes the format and content of proposals to be submitted, and (4)
9 may provide for negotiation of the Procurement Contract.

10 (hh) "Request for Information" means a written solicitation issued by a Using Agency,
11 through the supervision of the Manager, which (1) generally describes the Goods or Services
12 sought to be Procured by the City, (2) sets forth in determining what Persons can provide Goods
13 or Services sought to be Procured by the City, and (3) does not provide for the negotiation of any
14 Procurement Contract.

15 (ii) "Responsible Bidder" means a Bidder who is determined by the Manager or the
16 Awarding Entity to be responsible based on the following criteria:

17 (1) The Bidder's ability, capacity and skill to perform the Contract, and to provide
18 post-performance maintenance and repair;

19 (2) The Bidder's facilities and resources;

20 (3) The Bidder's character, integrity, reputation, judgment, experience and
21 efficiency;

22 (4) The Bidder's record of performance of prior Contracts with the City and others;
23 and

24 (5) The Bidder's compliance with laws, regulations, guidelines and orders
25 governing prior Contracts performed by the Bidder.

26 (jj) "Responsive Bid" means a Formal Bid or Informal Bid submitted in response to a City-
27 issued Notice Inviting Bids or Request For Bids, which meets and conforms to the substantive
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1 requirements specified by the City without material qualification or exception, as determined by
2 the City.

3 (kk) "Services" means all services which are described in City specifications or are in the
4 nature of advertising, cleaning, gardening, insurance, janitorial, leasing of Goods, membership,
5 postal, printing, security, subscriptions, travel, utilities (electric, gas, telegraph, telephone,
6 transportation and water), weeding and discing, and the repairing, maintaining or servicing of
7 Goods, but does not include Professional Services, real property transactions, Construction,
8 Design-Build, nor employment and collective bargaining Contracts.

9 (ll) "Specifications" means a City-issued or referenced definite, detailed written description
10 of the Goods to be furnished, the Services to be performed or the Construction work to be done
11 and materials to be used under a Contract with the City, which specifies the composition,
12 Construction, dimension, durability, efficiency, form, nature, performance characteristics and
13 standards, quality, shape, texture, type and utility of Goods, Services or Construction sought by
14 the City.

15 (mm) "Surplus Goods" means any Goods having a remaining useful life or salvage value
16 but which are no longer used, needed for use or retained for potential use by the Using Agency
17 which has care, custody or control of them.

18 (nn) "Using Agency" means all City departments, institutions, offices, boards,
19 commissions, divisions, agencies and authorities which derive their support totally or in part from
20 City funds and for which the Manager is directed to Procure Goods, Services, Professional
21 Services, Design-Build, or Construction.

22 **ARTICLE TWO: GENERAL PURCHASING POLICY STATEMENT AND**
23 **DELEGATED AUTHORITY FOR PURCHASES AND CONTRACT EXECUTION**

24 SECTION 200. Policy. It is hereby determined and declared to be the policy and
25 requirement of the City that Procurement of Goods, Services and Construction by the City shall,
26 whenever practicable and advantageous to the City, be based on Competitive Procurement,
27 whether by Informal Procurement (ARTICLE FOUR) if permitted, or Formal Procurement
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1 (ARTICLE FIVE) if required, except as otherwise provided in this Resolution or the City Charter.
2 Goods, Services and Construction must be procured in compliance with this Resolution.

3 SECTION 201. Exceptions. Competitive Procurement shall not be required in
4 circumstances explicitly stated in this Resolution; exceptions to Competitive Procurement will be
5 included with each type of Procurement under ARTICLE THREE (Emergency Procurement),
6 ARTICLE SIX (Procurement of Goods), ARTICLE SEVEN (Procurement of Services),
7 ARTICLE EIGHT (Procurement of Construction), ARTICLE NINE (Procurement of Design-
8 Build Services, and ARTICLE TEN (Procurement of Real Property).

9 SECTION 202. Authorization. The City Manager is authorized to approve, execute, and
10 bind the City to:

11 (a) Contracts and purchase orders for Goods, Professional Services, and Design-Build
12 Services of \$50,000 or less, entered into in accordance with the policies and procedures outlined
13 in this Resolution, and

14 (b) Such other contracts as are expressly approved by the City Council, Board of Public
15 Utilities, and Board of Library Trustees.

16 SECTION 203. Delegation by City Manager. The City Manager is authorized to delegate
17 such authority to his or her designees, including among others, Department Heads, when the City
18 Manager deems it is in the best interests of the City to do so.

19 SECTION 204. City Attorney Authorization. The City Attorney is authorized to approve,
20 execute, and bind the City to contracts up to \$50,000 for expert and consultant services in
21 connection with existing and anticipated litigation and/or claim defense or prosecution, and other
22 such related matters, including, but not limited to, expert witnesses, arbitrators, mediators, court
23 transcripts, court reporters, process servers, private investigators, court filing and messenger
24 services, and other legal support services.

1 **ARTICLE THREE: EMERGENCY PROCUREMENT**

2 SECTION 300. Policy. While the need for Emergency Procurement is recognized, the
3 practice shall be curtailed as much as possible by anticipating needs so that normal Competitive
4 Procurement may be used.

5 SECTION 301. Conditions. An "emergency" shall be deemed to exist under anyone or
6 more of the following circumstances:

7 (a) A great public calamity;

8 (b) An immediate need to prepare for national or local defense;

9 (c) A breakdown in machinery, facilities or essential services which requires the immediate
10 Procurement of Goods, Services or Construction to protect the public health, welfare, safety,
11 property, or personal/confidential information;

12 (d) A Using Agency operation directly affecting the public health, welfare or safety, the
13 protection of public property, or personal/confidential information, is so severely impacted by any
14 cause that personal injury or property destruction appears to be imminent and probable unless
15 Goods, Services or Construction designed or intended to mitigate the risks thereof are Procured
16 immediately; or

17 (e) A Using Agency is involved in a City project, which is of such a nature that the need
18 for particular Goods, Services or Construction can only be ascertained as the project progresses
19 and, when ascertained, must be satisfied immediately for the preservation of public health, welfare,
20 safety or property.

21 SECTION 302. Authorization. Emergency Procurement may be initiated by the head of
22 a Using Agency or his or her duly authorized representative (the "individual") only as follows:

23 (a) During normal City business hours for non-Riverside Public Utilities purchases, the
24 individual shall contact the Manager and explain to the Manager's satisfaction the reasons and
25 justification for Emergency Procurement. If the nature of the emergency is such that Goods,
26 Services or Construction must be Procured immediately and the Manager is satisfied with the
27 explanation of reasons and justifications given therefor, the Manager shall authorize the
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1 Procurement and cause an emergency Purchase Order to be issued as soon as possible and in no
2 event later than the following business day. A Purchase Requisition confirming the Procurement
3 must be prepared by the individual and submitted to the Manager no later than the following
4 business day. Items exceeding \$50,000 need to be approved by the City Council.

5 (b) After normal City business hours for non-Riverside Public Utilities purchases, the
6 individual shall exercise his or her best judgment in ascertaining whether the actual circumstances
7 necessitate Emergency Procurement, and if deemed necessary shall order it. As soon as possible
8 and in no event later than the following business day, the individual shall prepare a Purchase
9 Requisition confirming the Emergency Procurement and deliver it to the Manager, who shall then
10 review and cause an emergency Purchase Order therefor to be prepared. Upon Manager
11 concurrence, the word "confirmation" shall be clearly imprinted on all Purchase Requisitions and
12 Purchase Orders issued in confirmation of Emergency Procurement.

13 (c) For urgent purchases relating to Riverside Public Utilities, Article, XII, Section 1202(b)
14 of the City's Charter applies and shall be followed.

15 (d) For urgent purchases as defined by Article XI, Section 1109 relating to Public Works
16 Contracts over \$50,000; urgent items procured while not following Competitive Procurement, in
17 order to preserve life, health or property, shall be authorized by resolution passed by at least five
18 affirmative votes of the City Council and the resolution must contain a declaration of the facts
19 constituting such urgency.

20 SECTION 303. Expenditure Limits. Total emergency expenditures for one event, unless
21 otherwise stated in this resolution or approved by subsequent City Council action, shall not exceed
22 \$25 million as set forth in Municipal Code Section 9.20.090, Emergency Expenditures.

23 ARTICLE FOUR: INFORMAL PROCUREMENT

24 SECTION 400. Policy. For the acquisition of Goods, Services and Construction, Informal
25 Procurement will be conducted by the Using Agency, through the approval of the Manager and
26 the Manager's duly authorized representatives in a manner and under circumstances intended to
27 elicit competitive responses.

1 SECTION 401. Informal Procurement Procedure. The process, forms and systems used
2 to conduct Informal Procurement, as recommended by the Manager and Chief Financial Officer
3 and approved by the City Manager, shall be included in the City's Administrative Manual.

4 SECTION 402. General Limitations on Informal Procurement. Informal Procurement may
5 be conducted under the supervision of the Manager if the Procurement expenditure is estimated to
6 be Fifty Thousand Dollars (\$50,000.00) or less, does not fall within the Utilities Exception, and
7 does not involve the Procurement of Construction or Goods of the type required by Section 1109
8 of the City Charter to be acquired by Formal Procurement.

9 SECTION 403. Exceptions. Competitive Procurement shall not be required for
10 Information Technology software maintenance and license renewals; training; advertising; or
11 professional recruitment services where the Manager is satisfied that the best price, terms and
12 condition for the Procurement thereof have been negotiated.

13 SECTION 404. Utilities Exception. The Water, Electric and Sewer Utilities have a need
14 for compatibility within their respective systems for uniform operation, maintenance and
15 replacement, and this need can be met by procuring certain supplies, equipment, and materials
16 supplies through Informal Procurement or Negotiated Procurement. Section 1109 of the City
17 Charter provides that such procurements may be exempted from formal competitive procurement
18 requirements if the City Council so determines by at least five affirmative votes.

19 If it appears to the Manager to be in the best interest of overall economy and efficiency of
20 the City to do so, and it is within existing budget appropriation, the following supplies, equipment,
21 and materials are determined to be peculiar to the needs of the Water Utility, the Electric Utility,
22 and the Sewer Utility and may be acquired by Informal Procurement or Negotiated Procurement,
23 regardless of their estimated Procurement expenditure amounts, provided that the City's Board of
24 Public Utilities or City Council shall have approved the proposed acquisition if required under the
25 provisions of the City Charter, either by approval of the procurement contract or approval of annual
26 purchase orders:

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1 Automatic Reclosers with associated controllers and communications equipment
 Batteries and Chargers
 2 Blower Equipment, Parts and Repair
 Bus and Bus Support
 3 Capacitors
 Chemicals
 Circuit Breakers
 4 Circuit Switcher
 Conduit and Duct
 5 Connectors
 Dewatering Equipment, Parts and Repairs
 6 Electric Motor Controls
 Electrical Line Devices
 7 Electrical Motors, Panels, Panel Equipment, Materials and Repairs
 Fiber Optics Equipment and Materials
 8 Fire Hydrants
 Fittings, Electrical, Water, and Sewer
 9 Insulators and Bushings
 Luminaries
 10 Meter and Metering Devices
 Mobile Substation
 11 Pipe and Pipe Fittings
 Pole Line Hardware
 12 Poles, Utility
 Power Generation Materials, Equipment, Parts and Repair
 13 Prefabricated Electrical Enclosures
 Pumps and Repairs
 14 Regulators
 Relaying and Protective Devices
 15 Road and Backfill Materials
 SCADA Equipment
 16 Substation and Distribution Automation Equipment
 Substation Online Monitoring Equipment and Devices
 17 Substation Supervisory Equipment
 Surge Arrestors
 18 Switches, Switchgear, and Accessories Testing Equipment
 Transformers and Accessories Treatment Equipment
 19 Tubing, Copper and Plastic
 Valves and Operators
 20 Vaults and Accessories
 Wire and Cable
 21 Uninterruptable Power Supplies
 Well Equipment (including incidental labor to install, which labor shall not exceed the amount
 22 set by state law for which bids are required for public works projects of a general law city)
 Such other supplies and materials peculiar to the needs of the Public Utilities Department,
 23 which are carried as inventory items in Central Stores stock.

24 SECTION 405. Riverside Public Library Exception. The following supplies, materials and
 25 services are determined to be peculiar to the needs of the Library Department through City Charter
 26 Section 808(d). If it appears to the Manager to be in the best interest of overall economy and
 27 efficiency of the City to do so and is within existing budget appropriation, be acquired by Informal
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1 Procurement or Negotiated Procurement, regardless of their estimated Procurement expenditure
2 amounts, provided that the City's Board of Library Trustees or City Council shall have approved
3 the proposed acquisition if required under the provisions of the City Charter, either by approval of
4 the procurement contract or approval of annual purchase orders:

5 Books
6 Journals
7 Maps
8 Office Supplies
9 Publications
10 Subscription Services
11 Other Needs as determined by the Manager

12 SECTION 406. Request for Bids or Proposals. The Manager or Using Agency shall solicit
13 Informal Bids by means of a written or verbal Request for Bids, accompanied by City
14 specifications, if deemed necessary by the Manager. Where the Using Agency seeks the
15 procurement of Services or Professional Services, a Request for Proposal or Request for
16 Qualifications, as appropriate, may be issued. Responses to the City's Request for Bids, Proposals,
17 or Qualifications shall be in writing, and documentation of responses shall be submitted to the
18 Manager prior to payment by the Finance Department.

19 SECTION 407. Rejections and Awards. The Manager may reject any and all Informal
20 Bids submitted in response to a Request for Bids and otherwise shall award all Informal Bids,
21 insofar as practicable, to the Lowest Bidder. The Manager shall be authorized to administer
22 Contracts for Goods and Services awarded by Informal Procurement, including but not limited to
23 Purchase Orders. Where the Using Agency seeks the procurement of Services or Professional
24 Services through a Request for Proposal or Request for Qualifications, the Informal Bid shall be
25 awarded in accordance with the evaluation criteria set forth in the Request for Proposals or Request
26 for Qualifications.

27 SECTION 408. Contract Bonds. The provisions of Section 510 shall also apply to all
28 Contracts for Goods, Services or Construction awarded under Informal Procurement.

SECTION 409. Public Records. The Manager shall maintain and keep records of all
Informal Procurements, including Informal Bids received, in accordance with the applicable City's

1 Record Retention Schedule adopted by the City Council from time to time, and those records shall
2 be open to public inspection upon request during normal City business hours.

3 SECTION 410. Bidder Contact with City. All communications from Bidders shall be
4 directed only to the City representative and in the form as designated in the Request for Bids. Any
5 communications, whether written or verbal with any City Councilmember or City staff other than
6 the City representative designated in the Request for Bids, prior to the award of a contract, is
7 strictly prohibited. Bidders violating this section shall be disqualified from consideration and
8 rejected by the Manager.

9 **ARTICLE FIVE: FORMAL PROCUREMENT**

10 SECTION 500. Policy. For the acquisition of Goods, Services and Construction, Formal
11 Procurement shall be conducted by the Manager and the Manager's duly authorized
12 representatives in conjunction with a Using Agency, or may be conducted by the Using Agency,
13 through the approval of the Manager and the Manager's duly authorized representatives in a
14 manner and under circumstances intended to elicit competitive responses.

15 SECTION 501. Formal Procurement Procedure. The process, forms and systems used to
16 conduct Formal Procurement, as recommended by the Manager and Chief Financial Officer and
17 approved by the City Manager, shall be included in the City's Administrative Manual.

18 SECTION 502. General Limitations on Formal Procurement. Formal Procurement shall
19 be conducted under the supervision of the Manager if the Procurement expenditure is estimated to
20 be more than Fifty Thousand Dollars (\$50,000.00) or falls within Section 1109 of the City Charter,
21 except in those Procurement situations described in:

- 22 (a) Article Three (Emergency Procurement);
- 23 (b) Section 402 (Informal Procurement – General Limitations);
- 24 (c) Section 403 (Exceptions);
- 25 (d) Section 404 (Utilities Exception);
- 26 (e) Section 405 (Riverside Public Library Exception);
- 27 (f) Section 602 (Acquisition of Good Exceptions);

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- (g) Section 702 (Acquisition of Services Exceptions);
- (h) Section 802 (Acquisition of Construction Exceptions);
- (i) Section 902 (Design-Build Exceptions); and
- (j) Section 1002 (Acquisition of Real Property Exceptions)

SECTION 503. Soliciting Formal Bids. A Notice Inviting Bids shall be published at least once in a newspaper of general circulation in the City, the first publication of which shall be at least ten days before the time and date set by the Manager for opening the Formal Bids received. The notice shall include a general description of the Goods, Services or Construction sought to be Procured by the City, shall state where Specifications therefor may be obtained and shall set forth the time and place for a public opening of Formal Bids received timely. The Manager shall, in addition and as practicable, solicit Formal Bids from a sufficient number of responsible prospective bidders whose names appear on the bidders' lists maintained pursuant to Section 1105 hereof by causing to be sent to them notification that will acquaint them with the Procurement items sought by the City. The words "Bid" and "Bids" as hereinafter set forth within this Article shall mean Formal Bid and Formal Bids, respectively. A Notice Inviting Bids for the procurement of Services or Professional Services may be issued in the form of a Request for Proposals or Request for Qualifications as deemed appropriate by the Manager.

SECTION 504. Submittal of Bids and Bid Securities. Bids and bid securities, which security shall guarantee the Bid and be forfeited to the City if the Bidder is awarded the Contract but fails or refuses to honor the Bid and execute the Contract documents timely, shall be submitted to the City in the following manner:

- (a) For Formal Procurement subject to Section 1109 of the City Charter, the Bids shall be
 - (i) submitted in the manner required by the City as specified in the solicitation document, (ii) accompanied by the type and amount of Bid security prescribed by Section 1109, (iii) sealed as prescribed in the notice inviting Bids or the specifications referenced in the notice, and (iv) submitted to the City's Purchasing Division within the time and in the manner specified by the notice or Specifications.

1 (b) For Formal Procurement not subject to Section 1109 of the City Charter, the Bid shall
2 be submitted in the form required by the City, accompanied by the type and amount of Bid security
3 specified, sealed, and submitted to the Purchasing Division within the time and manner specified
4 in the notice inviting Bids or the Specifications referenced in the notice.

5 SECTION 505. Opening of Bids. The Bids shall be opened and referenced as to Bidder
6 identity and amounts Bid in public at the time and place specified in the published notice, and no
7 Bid shall be received or recognized by the Purchasing Division, which has not been received prior
8 to the time so specified. If, upon the opening of Bids to provide Goods, Services or Construction
9 not subject to the provisions of Section 1109 of the City Charter, the Manager determines that the
10 actual expenditure therefor would appear to be Fifty Thousand Dollars (\$50,000.00) or less, the
11 Manager may convert the Formal Procurement to Informal Procurement procedures for award of
12 a Contract.

13 SECTION 506. Tabulation and Inspection of Bids. After the Bids have been opened and
14 referenced, the Manager shall cause them to be tabulated. Upon completion and verification of the
15 tabulation of the Bids, they shall be subject to inspection as public records per Section 512.

16 SECTION 507. Rejection of Bids. The Manager may in his/her discretion reject any and
17 all Bids, or any segregable portions thereof, for any one or more types of Goods, Services or
18 Construction included in the Specifications when the public interest is served thereby, provided
19 specifically that any potential award does not otherwise require consideration by the Awarding
20 Entity. The Awarding Entity may also take any other action permitted by Section 1109 of the City
21 Charter.

22 SECTION 508. Awards. Contracts procured through Formal Procurement shall be
23 awarded by the Awarding Entity to the Lowest Responsive and Responsible Bidder, except that:

24 (a) Contracts procured through Formal Procurement may be awarded by the Manager
25 where the procurement is made using Cooperative Procurement methods and a supplemental
26 appropriation is not otherwise required;

1 (b) A Contract for Goods may be awarded to a local Responsive Bidder who is not the
2 Lowest Responsive Bidder but who has certified that it is a local vendor pursuant to Section 604
3 hereof and who is subject to taxation under the City's "Uniform Local Sales and Use Tax
4 Ordinance" (Chapter 3.08 of the City Municipal Code) if the Bid difference amount between the
5 local Responsive Bidder and the Lowest Responsive Bidder does not exceed five percent (5%) of
6 the Lowest Responsive Bid;

7 (c) Contracts procured through Formal Procurement for Services or Professional Services,
8 where a Request for Proposals or Request for Qualifications was used to solicit Bids, shall be
9 awarded by the Awarding Entity in accordance with the evaluation criteria set forth in the Request
10 for Proposals or Request for Qualifications.

11 SECTION 509. Approval of Contracts. All Contracts procured through Formal
12 Procurement shall be approved as to form by the City Attorney.

13 SECTION 510. Contract Bonds. Contract bonds executed by good and sufficient sureties
14 authorized to conduct surety business in the State of California and in such amounts as are required
15 by law or deemed adequate to insure the faithful performance of a Contract in the time and manner
16 prescribed therein shall be required of the successful Bidder for all Contracts over \$25,000, where
17 they are required by law and in other instances as determined by the Manager. Contract bonds
18 requirements shall be set out in the notice inviting bids or the specifications. "Contract bonds"
19 means performance bonds (or functional equivalent such as supply bonds) to guarantee the
20 Contractor's faithful performance of the awarded Contract in the time, manner and workmanship
21 specified and payment bonds to guarantee the Contractor's payment of claims as prescribed in
22 Section 9550 et seq. of the California Civil Code.

23 SECTION 511. Assignment of Contract. Contracts procured through Formal Procurement
24 shall not be assigned by the Contractor without the written consent of the City Manager. In no
25 event shall a Contract or any part thereof be assigned to a Bidder who was declared not to be a
26 Non-Responsive Bidder during consideration of the Bids submitted in response to advertisement
27 for that particular Procurement.

1 SECTION 512. Public Records. The Manager shall maintain and keep records of all
2 Formal Procurements, including Formal Bids received, in accordance with the applicable City's
3 Record Retention Schedule adopted by the City Council from time to time, and those records shall
4 be open to public inspection upon request during normal City business hours.

5 SECTION 513. Bidder Contact with City. All communications from Bidders shall be
6 directed only to the City representative and in the form as designated in the Notice Inviting Bids.
7 Any communications, whether written or verbal with any City Councilmember or City staff other
8 than the City representative designated in the Notice Inviting Bids, prior to the award of a contract,
9 is strictly prohibited. Bidders violating this section shall be disqualified from consideration and
10 rejected by the Manager.

11 **ARTICLE SIX: ACQUISITION OF GOODS**

12 SECTION 600. Policy. Acquisition of Goods by a Using Agency under the supervision of
13 the Manager:

14 (a) Of \$50,000 or less may follow the Informal Procurement process, unless as required
15 by Section 1109 of the City Charter;

16 (b) Anticipated to be more than \$50,000, shall follow the Formal Procurement process.

17 SECTION 601. Acquisition of Goods Procedure. The process, forms and systems for the
18 acquisition of Goods, as approved by the Manager, Chief Financial Officer, and City Manager,
19 shall be included in the City's Administrative Manual.

20 SECTION 602. Exceptions. Competitive Procurement through the Informal Procurement
21 and Formal Procurement process shall not be required in any of the following circumstances:

22 (a) When an emergency arises and Emergency Procurement is undertaken pursuant to
23 Article Three hereof;

24 (b) When the Procurement involved is less than \$10,000.00;

25 (c) When the Procurement can only be obtained from a sole source or timely from a single
26 source and the Manager is satisfied that the best price, terms and conditions for the Procurement
27 thereof have been negotiated;

1 (d) When the Procurement consists of replacement parts for the City's vehicles and aviation
2 units.

3 (e) When Cooperative Purchasing is available and undertaken or when Goods can be
4 obtained through Federal, State and/or other public entity pricing contracts or price agreements;

5 (f) Where payment for Goods is to be made to a Federal, State, and/or other public entity;

6 (g) When Goods can be Procured from a Bidder who offers the same or better price, terms
7 and conditions as the Bidder previously offered as the Lowest Responsive Bidder under
8 Competitive Procurement provided that, in the opinion of the Manager, it is in the best interests of
9 the City to do so;

10 (h) When the Procurement is subject to Section 403 of this Resolution.

11 (i) When the Procurement is subject to Section 404 of this Resolution, which generally
12 allows for items peculiar to the needs of Riverside Public Utilities (Section 1203 of the City
13 Charter) and Public Works to be made through Informal or Negotiated Procurement.

14 (j) When the Procurement is subject to Section 405 of this Resolution, which generally
15 allows for books, journals, maps, publications and other supplies peculiar to the needs of the library
16 to be made through Informal or Negotiated Procurement subject to the provisions of Section 808(d)
17 of the City Charter;

18 (k) When the Procurement is for wholesale energy, energy ancillary services, energy
19 transmission, wholesale water commodity, and water transmission purchases by or on behalf of
20 the City's Public Utilities Department;

21 (l) When the Procurement is for public art or Museum artifacts; and

22 (m) When approved by the Manager, the City requires Goods not subject to the bidding
23 requirements of Section 1109 of the City Charter, which are of such a nature that suitable technical
24 or performance specifications describing them are not readily available and cannot be developed
25 in a timely manner to meet the needs of the City, in which case the Manager shall be authorized to
26 negotiate with any Person or Persons for the Procurement thereof upon the price, terms and
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1 conditions deemed by the Manager to be in the best interest of the City and in doing so may utilize
2 Informal Procurement or Negotiated Procurement process.

3 (n) When the Procurement is for the renewal of maintenance, license(s), support, or a
4 similar need for existing technology systems, including hardware, and the items procured are from
5 the owner/developer of the software/hardware or from a sole source provider, and the Manager is
6 satisfied that the best price, terms and conditions have been negotiated;

7 (o) When the Procurement is for the renewal of maintenance, license(s), support, or a
8 similar need for existing technology systems, including hardware, and the items are procured from
9 a vendor/reseller that was originally selected based on the City's procurement standards, provided
10 that 1) the vendor has been used continuously since such selection and 2) if there are any non-
11 substantive changes to the procurement, the Manager is satisfied that the best price, terms and
12 conditions have been negotiated;

13 SECTION 603. Grant Purchases. When the Procurement for Goods are to be procured
14 through the use of Federal or State grant funding, procurement shall be done in accordance with
15 the procedures herein. If the receipt of grant funding is conditioned upon requirements and
16 procedures more strict than as set forth herein, the procedures necessary for the receipt of the grant
17 funding shall be followed. The Using Agency is responsible for compliance with all aspects of
18 grant requirements and shall inform the Manager of any and all grant requirements which affect
19 the expenditure of grant funds and the procurement of Goods, Services, or Construction with grant
20 funds.

21 SECTION 604. Preference Policy. In the Manager's administration of Competitive
22 Procurement pursuant to this Resolution, the Manager shall be authorized to give such preferences
23 for Goods, Services or Construction as chartered cities are required to give by applicable State or
24 Federal law, or such preferences as are permitted by such law and specifically provided for from
25 time to time by City Council resolution or ordinance.

26 SECTION 605. Local Preference. In the Procurement of Goods for the City's
27 requirements, preference shall be given to those vendors who have a local presence in the City of
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1 Riverside, provided that price, quality, terms, delivery and service reputation are determined to be
2 equal by the Manager under the criteria set forth in Section 508 hereof. To qualify as a local
3 vendor, the Bidder must certify to the following at the time of Bid submission:

4 (a) It has fixed facilities with employees located within the City limits;

5 (b) It has a business street address within the City limits (Post Office box or residential
6 address shall not suffice to establish a local presence);

7 (c) All sales tax returns for the Goods purchased must be reported to the State through a
8 business within the geographic boundaries of the City and the City will receive one percent (1 %) or such percentage of sales tax of Goods purchased as is allocable to the City from time to time
9 under then existing state law; and
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11 (d) It has a City business license.

12 False certifications shall be immediate grounds for rejection of any Bid or if the Bid is
13 awarded, grounds for voiding the Bid, terminating any Contract, and seeking damages thereto.

14 SECTION 606. Recycled Goods Preference. In the Procurement of Goods for the City's
15 requirements, preference shall be given, as the City Council from time to time hereafter directs by
16 resolution or ordinance, to recycled Goods as defined and provided for in such state legislation as
17 the State Assistance for Recycling (STAR) Markets Act of 1989 (commencing at Section 12150
18 of the California Public Contract Code) and the California Integrated Waste Management Act of
19 1989 (commencing at Section 40000 of the California Public Resources Code).

20 **ARTICLE SEVEN: ACQUISITION OF SERVICES**

21 SECTION 700. Policy. Acquisition of Services by a Using Agency under the supervision
22 of the Manager:

23 (a) Of \$50,000 or less may follow the Informal Procurement process;

24 (b) Anticipated to be more than \$50,000, shall follow the Formal Procurement process.

25 SECTION 701. Acquisition of Services Procedure. The process, forms and systems used
26 in the acquisition of Services as approved by the Manager, Chief Financial Officer, and City
27 Manager, shall be included in the City's Administrative Manual.
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1 SECTION 702. Exceptions. Competitive Procurement through the Informal Procurement
2 and Formal Procurement process shall not be required in any of the following circumstances:

3 (a) When an emergency arises and Emergency Procurement is undertaken pursuant to
4 Article Three hereof;

5 (b) When the Procurement involved is less than \$10,000.00;

6 (c) When the Procurement can only be obtained from a sole source or timely from a single
7 source and the Manager is satisfied that the best price, terms and conditions for the Procurement
8 thereof have been negotiated;

9 (d) When the Procurement consists of services needed for the replacement parts for the
10 City's vehicles, aviation units, and other City equipment;

11 (e) When Cooperative Purchasing is available and undertaken or when Services can be
12 obtained through Federal, State and/or other public entity pricing contracts or price agreements;

13 (f) Where payment for Services is to be made to a Federal, State, and/or other public entity;

14 (g) When Services can be Procured from a Contractor who offers the same or better price,
15 terms and conditions as the Contractor previously offered as the Lowest Responsive Bidder under
16 Competitive Procurement or negotiations conducted by the City or another public agency,
17 provided that, in the opinion of the Manager, it is in the best interests of the City to do so;

18 (h) When the Procurement is subject to Section 403 of this Resolution.

19 (i) When the Procurement is subject to Section 404 of this Resolution, which generally
20 allows for items peculiar to the needs of Riverside Public Utilities (Section 1203 of the City
21 Charter) and Public Works to be made through Informal or Negotiated Procurement.

22 (j) When the Procurement is subject to Section 405 of this Resolution, which generally
23 allows for books, journals, maps, publications and other supplies peculiar to the needs of the library
24 to be made through Informal or Negotiated Procurement subject to the provisions of Section 808(d)
25 of the City Charter;

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1 (k) When the Awarding Entity waives bidding requirements under and according to the
2 circumstances set forth in Section 1109 of the City Charter, or when it is determined by the
3 Manager to be in the best interests of the City to do so;

4 (l) When the Procurement is for wholesale energy, energy ancillary services, energy
5 transmission, wholesale water commodity, and water transmission purchases by or on behalf of
6 the City's Public Utilities Department;

7 (m) When the Procurement is for the retention of outside legal counsel and services;

8 (n) When the Procurement is for the retention of services associated with litigation and/or
9 claims, or other such related matters, including but not limited to, expert witnesses, arbitrators,
10 mediators, court transcripts, court reporters, process servers, private investigators, court filing and
11 messenger services, and other legal support services;

12 (o) When the Procurement is by the City Manager or designee for an interim Department
13 Head, interim Assistant/Deputy Department Head or an interim Senior Management employee;

14 (p) When approved by the Manager and the Procurement is for the hiring of special
15 instructors/performers, including but not limited to Library, Museum, or Park, Recreation, and
16 Community Services classes.

17 (q) When the Procurement is for the annual maintenance, license(s), support, or similar
18 need for current technology systems, including hardware, and the items procured are from the
19 owner/developer of the software/hardware or from a sole source provider, and the Manager is
20 satisfied that the best price, terms and conditions have been negotiated;

21 (r) When the Procurement is for the renewal of maintenance, license(s), support, or a
22 similar need for existing technology systems, including hardware, and the items are procured from
23 a vendor/reseller that was originally selected based on the City's procurement standards, provided
24 that 1) the vendor has been used consecutively since then and 2) if there are any non-substantive
25 changes to the procurement, the Manager is satisfied that the best price, terms and conditions have
26 been negotiated;

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1 (s) When the Competitive Procurement of less than \$50,000 for consultant services is
2 waived with the written approval of the City Manager; and

3 (t) When approved by the Manager, Services not subject to the bidding requirements of
4 Section 1109 of the City Charter, which are of such a nature that suitable technical or performance
5 specifications describing them are not readily available and cannot be developed in a timely
6 manner to meet the needs of the City, in which case the Manager shall be authorized to negotiate
7 with any Person or Persons for the Procurement thereof upon the price, terms and conditions need
8 by the Manager to be in the best interest of the City and in doing so may utilize Informal
9 Procurement or Negotiated Procurement process.

10 SECTION 703. Grant Purchases. When the Procurement of Services are to be procured
11 through the use of Federal or State grant funding, procurement shall be done in accordance with
12 the procedures herein. If the receipt of grant funding is conditioned upon requirements and
13 procedures more strict than as set forth herein, the procedures necessary for the receipt of the grant
14 funding shall be followed. The Using Agency is responsible for compliance with all aspects of
15 grant requirements and shall inform the Manager of any and all grant requirements which affect
16 the expenditure of grant funds and the procurement of Goods, Services, or Construction with grant
17 funds.

18 **ARTICLE EIGHT: ACQUISITION OF CONSTRUCTION SERVICES**

19 SECTION 800. Policy. Acquisition of Construction Services shall be completed in
20 conformance with Section 1109 of the City Charter. To the extent not inconsistent with the City
21 Charter, the provisions of this Resolution, as amended from time to time, shall apply to all Design-
22 Build and Design-Bid-Build Public Works Projects. Formal Procurement process and Awarding
23 Entity approval shall be required for acquisition of all services above \$50,000 pursuant to City
24 Charter Section 1109 and 1202(b).

25 SECTION 801. Acquisition of Construction Services Procedure. The process, forms and
26 systems used to acquire Construction Services, as approved by the Manager, Chief Financial
27 Officer, and City Manager, shall be included in the City's Administrative Manual.

1 SECTION 802. Exceptions. Except as otherwise required by the City Charter, Competitive
2 Procurement through the Informal Procurement and Formal Procurement process shall not be
3 required in any of the following circumstances:

4 (a) When an emergency arises and Emergency Procurement is undertaken pursuant to
5 Article Three hereof;

6 (b) When the Procurement involved is less than \$10,000.00;

7 (c) When the Procurement can only be obtained from a sole source or timely from a single
8 source and the Manager is satisfied that the best price, terms and conditions for the Procurement
9 thereof have been negotiated;

10 (d) When procurements are conducted by Consultants on behalf of the City;

11 (e) When Construction Services can be Procured from a Contractor who offers the same or
12 better price, terms and conditions as the Contractor previously offered as the Lowest Responsive
13 Bidder under Competitive Procurement or negotiations conducted by the City or another public
14 agency, provided that, in the opinion of the Manager, it is in the best interests of the City to do so;

15 (f) When Cooperative Purchasing is available and undertaken or when Services can be
16 obtained through Federal, State and/or other public entity pricing contracts or price agreements;

17 (g) Where payment for Services is to be made to a Federal, State, and/or other public entity;

18 (h) When the Awarding Entity waives bidding requirements under and according to the
19 circumstances set forth in Section 1109 of the City Charter, or when it is determined by the
20 Manager to be in the best interests of the City to do so;

21 (i) When approved by the Manager, the City requires Construction Services, not subject to
22 the bidding requirements of Section 1109 of the City Charter, which are of such a nature that
23 suitable technical or performance specifications describing them are not readily available and
24 cannot be developed in a timely manner to meet the needs of the City, in which case the Manager
25 shall be authorized to negotiate with any Person or Persons for the Procurement thereof upon the
26 price, terms and conditions deemed by the Manager to be in the best interest of the City and in
27 doing so may utilize Informal Procurement or Negotiated Procurement process.

1 SECTION 803. Grant Purchases. When the Procurement for Construction Services are to
2 be procured through the use of Federal or State grant funding, procurement shall be done in
3 accordance with the procedures herein. If the receipt of grant funding is conditioned upon
4 requirements and procedures more strict than as set forth herein, the procedures necessary for the
5 receipt of the grant funding shall be followed. The Using Agency is responsible for compliance
6 with all aspects of grant requirements and shall inform the Manager of any and all grant
7 requirements which affect the expenditure of grant funds and the procurement of Construction
8 Services with grant funds.

9 SECTION 804. Change Order Exception. Field Orders are specifically allowed on
10 Design-Build and Design-Bid-Build projects, if contemplated for in the contract.

11 **ARTICLE NINE: ACQUISITION OF DESIGN-BUILD SERVICES**

12 SECTION 900. Policy. Acquisition of Design-Build Services shall be completed in
13 conformance with Section 1114 of the City Charter and Chapter 1.07 of the City Municipal Code.
14 To the extent not inconsistent with the City Charter and Municipal Code, the provisions of this
15 Resolution, as amended from time to time, shall apply to all Design-Build Public Works Projects.
16 All Design-Build Services, regardless of Procurement dollar amount and approval limits for each
17 Awarding Entity, shall follow the selection process and process outlined in Chapter 1.07 of the
18 City Municipal Code.

19 SECTION 901. Acquisition of Design-Build Services Procedure. The process, forms and
20 systems used to acquire Design-Build Services, as approved by the Manager, Chief Financial
21 Officer, and City Manager, shall be included in the City's Administrative Manual.

22 SECTION 902. Exceptions.

23 (a) When an emergency arises and Emergency Procurement is undertaken pursuant to
24 Article Three hereof;

25 SECTION 903. Grant Purchases. When the Procurement for Design-Build Services are to
26 be procured through the use of Federal or State grant funding, procurement shall be done in
27 accordance with the procedures herein. If the receipt of grant funding is conditioned upon
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1 requirements and procedures more strict than as set forth herein, the procedures necessary for the
2 receipt of the grant funding shall be followed. The Using Agency is responsible for compliance
3 with all aspects of grant requirements and shall inform the Manager of any and all grant
4 requirements which affect the expenditure of grant funds and the procurement of Design-Build
5 Services with grant funds.

6 **ARTICLE TEN: ACQUISITION OF REAL PROPERTY**

7 **SECTION 1000. Policy.** Acquisition of Services by a Using Agency under the
8 supervision of the Real Property Services Manager:

9 **SECTION 1001. Acquisition of Real Property Procedure.** The process, forms and systems
10 used to conduct the acquisition of Real Property, as approved by the Manager, Community &
11 Economic Development Director, Chief Financial Officer, and City Manager, shall be included in
12 the City's Administrative Manual.

13 **SECTION 1002. Exceptions.** None.

14 **SECTION 1003. Grant Purchases.** When the Procurement for Real Property is to be
15 procured through the use of Federal or State grant funding, procurement shall be done in
16 accordance with the procedures herein. If the receipt of grant funding is conditioned upon
17 requirements and procedures more strict than as set forth herein, the procedures necessary for the
18 receipt of the grant funding shall be followed. The Using Agency is responsible for compliance
19 with all aspects of grant requirements and shall inform the Manager of any and all grant
20 requirements which affect the expenditure of grant funds and the procurement of Real Property
21 with grant funds.

22 **SECTION 1004. Signatory Authority.** When the cost of acquisition of real property by
23 the City is Fifty Thousand Dollars (\$50,000) or less, or when the cost of acquisition of real property
24 by the City is over Fifty Thousand Dollars (\$50,000) and said acquisition has been previously
25 approved by the City Council, the City Manager, any of the Assistant City Managers, or the
26 Community & Economic Development Director are hereby authorized to negotiate and execute
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1 any and all documents necessary to complete the transaction, including, but not limited to,
2 Purchase and Sale Agreements and Escrow Instructions.

3 SECTION 1005. Public Utilities. Pursuant to Article XII, Section 1202(b), when
4 Riverside Public Utilities funds in excess of \$50,000 are utilized for the full or partial payment for
5 the acquisition of Real Property, the Board of Public Utilities must approve the purchase prior to
6 approval of the City Council.

7 SECTION 1006. Notification to Manager. Within 90 days following the acquisition of
8 real property, the acquiring City Department will notify the Manager of the acquisition so that the
9 property may be added to the City's schedule of insured property.

10 **ARTICLE ELEVEN: PURCHASE ORDER AND PURCHASE REQUISITION**
11 **PROCEDURES**

12 SECTION 1100. Policy and Purpose. The purpose of the Purchase Requisition is to inform
13 the Manager, in clear and explicit terms, of the Procurement needs and processes followed of the
14 Using Agencies, thus enabling the Manager to oversee the Procurement of all Goods, Services,
15 Construction, and Design-Build work required by the City. Except as otherwise provided in this
16 Resolution, each Using Agency shall prepare a Purchase Requisition and submit it to the Manager
17 to provide documentation for the proper Procurement process followed. Goods shall not be
18 ordered and/or received, and Services, Construction and Design-Build work shall not commence
19 until a Purchase Requisition has been approved by the Manager or designee and a Purchase Order
20 has been issued. No Purchase Requisition shall be broken into smaller units to evade any
21 requirement of this Resolution, except that unrelated items requisitioned by Using Agencies may
22 be separated to provide different lists to vendors dealing in different types of Goods, Services,
23 Construction and Design-Build work.

24 SECTION 1101. Who May Requisition. All Purchase Requisitions shall be completed
25 and shall be approved by the head or duly authorized representative of the Using Agency making
26 the requisition. At such times and in such manner as shall be prescribed by the Manager, the head
27 of each Using Agency shall file with the City's Chief Financial Officer a written designation of
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1 each person who is authorized to approve Purchase Requisitions on behalf of the Using Agency or
2 any division or section thereof.

3 SECTION 1102. Purchase Requisition Procedure. The process, forms and systems used to
4 process Purchase Requisitions, as approved by the Manager, Chief Financial Officer, and City
5 Manager, shall be included in the City's Administrative Manual.

6 SECTION 1103. Purchase Order and Encumbrance of Funds. All Procurement of Goods,
7 Services Construction, and Design-Build shall be made by Purchase Order. Certain procurements
8 for Services, Construction and Design-Build may have terms and conditions that govern those
9 Procurements stated in Agreement/Contracts and in such case the Purchase Order will be utilized
10 to track and encumber funds. No Purchase Orders shall be required for petty cash purchases less
11 than an amount recommended from time to time by the Chief Financial Officer and approved by
12 the City Manager. Except in cases of Emergency Procurement, no Purchase Order shall be issued
13 unless there exists an unencumbered appropriation in the fund account against which the
14 Procurement is to be charged. Except for Emergency Procurement, no Goods, Services,
15 Construction or Design-Build work shall be ordered, obtained or received without authorization
16 by the Manager, which authorization shall be in the form of an executed or confirming Purchase
17 Order. The Manager, or his designees, shall be authorized to issue and execute Purchase Orders in
18 accordance with policies and procedures established by the City Manager from time to time, that
19 are consistent with this Resolution.

20 SECTION 1104. Change Orders. Modifications to a Purchase Order shall be made only
21 by Change Order. Subject to the availability of funds, Change Orders may be utilized for purposes
22 of (1) adding and/or deleting quantity of items being procured, (2) modifying unit prices, (3)
23 modifying scope of work/services being provided, where the modification is reasonably related to
24 the original scope of work/services, (4) changing funding source(s), (5) modifying contract
25 completion time, or (6) any other change approved by the Manager. Unless otherwise specifically
26 authorized by the Awarding Entity, Change Orders which cumulatively exceed the following will
27 require Awarding Entity approval:
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- 1 a) 10% of the original contract price for Contracts and/or Purchase Orders up to \$50,000;
2 additional percentage authority may be authorized by the Manager up to \$50,000 or as
3 otherwise specified for in the City Charter;
4 b) Any Change Order which causes the contract price to exceed \$50,000, if the Contract
5 and/or Purchase Order was not previously approved by the Awarding Entity;
6 c) 10% of the original contract price for Contracts and/or Purchase Orders previously
7 approved by the Awarding Entity and the total Change Order amount will not exceed
8 \$150,000.

9 Any Change Order involving the modification of the scope of work/services where the
10 modification is not reasonably related to the original scope of work/services, as determined by the
11 City Attorney's Office, to the Contract is specifically prohibited.

12 An Awarding Entity can pre-approve change orders for more than the allowances included
13 above, provided the amount of the change order is explicitly stated in the recommendations to the
14 Awarding Entity. Any pre-approved change order authority will be in lieu of the amounts provided
15 above and not in addition to, unless otherwise specifically authorized by the Awarding Entity.

16 The Manager, or his designees, shall be authorized to issue and execute Change Orders in
17 accordance with policies and procedures established by the City Manager from time to time, that
18 are consistent with this Resolution. For purposes of this Section the term Contract also includes
19 Professional Services.

20 SECTION 1105. Bidders' Lists. The Manager shall maintain public lists of prospective
21 bidders for each class of Goods, Services or Construction for which Competitive Procurement is
22 required. These lists shall set forth the names and addresses of prospective sources of Goods or
23 Services and shall include the manufacturer of the Goods or the provider of the Services in all
24 instances in which the manufacturer or provider follows the practice of direct bidding in addition
25 to or in lieu of bidding through a local wholesaler, distributor or representative.

1 **ARTICLE TWELVE: DISPOSITION OF SURPLUS GOODS**

2 SECTION 1200. Reporting. Each Using Agency shall submit to the Manager, at such
3 times and in such form as the Manager prescribes, reports describing all Goods held by the Using
4 Agency, which the Using Agency has determined to be Surplus Goods. At such time that a periodic
5 physical inventory of the Goods held by any Using Agency is required by the Manager, the Using
6 Agency shall segregate all of its surplus Goods and a report thereof shall be furnished to the
7 Manager by the Using Agency for the transfer or disposition of such Goods.

8 SECTION 1201. Custody of Surplus Goods. Each Using Agency shall retain custody of
9 its surplus Goods in such manner and at such place as the Manager shall direct, until their transfer
10 or final disposition has been made. No Using Agency shall in any event permit any surplus Goods
11 held by it to be loaned or donated without City Council approval, or destroyed or otherwise
12 removed from the City's custody without the prior written approval of the Manager.

13 SECTION 1202. Transfer. Before disposing of surplus Goods, including unclaimed
14 property delivered to the Manager by the Police Department, the Manager shall first canvass all
15 other Using Agencies to assure that the surplus Goods cannot be used by another Using Agency.
16 If another Using Agency expresses a desire to use the Goods or hold them for potential future use,
17 the Manager shall assist in transferring the Goods to that Using Agency.

18 SECTION 1203. Disposition. The Manager is hereby authorized to dispose of City surplus
19 Goods and Police Unclaimed Property which are not used or needed by any Using Agency or
20 which have become unsuitable for City use. The Manager may dispose of such Goods and
21 Property by any of the following procedures:

22 (a) They may be exchanged or traded in on new Goods;

23 (b) They may be sold utilizing competitive procedures similar to those prescribed herein
24 for Formal Procurement or Informal Procurement;

25 (c) They may be sold at public auction conducted by the Manager or a professional
26 auctioneer which the Manager is hereby authorized to retain on the basis of a negotiated flat fee,
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1 hourly fee or percentage of the amount of the sale, whichever is determined by the Manager to be
2 in the best interests of the City;

3 (d) They may be sold utilizing a negotiation process when the Manager deems in writing
4 that such process is in the best interests of the City;

5 (e) They may be disposed of as scrap or destroyed if they have no resale value;

6 (f) In accordance with State law, City's Municipal Code, and City's Administrative
7 Manual policies and procedures; or

8 (g) They may be sold to another public agency utilizing a negotiation process when the
9 Manager deems in writing that such process is in the best interests of the City.

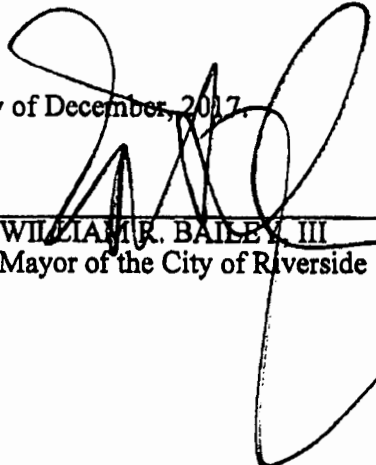
10 SECTION 1204. Library Books. Notwithstanding anything to the contrary in this
11 Resolution, books and other items which are subject to Section 808(d) of the City Charter and
12 which the Library Department has determined to discard may be disposed of in accordance with
13 policies as are adopted from time to time by the Board of Library Trustees and approved by the
14 City Council.

15 SECTION 1205. Contributions to Other Agencies. Nothing contained in this Resolution
16 shall affect the power and authority of the City Council to make contributions of funds, Goods,
17 Services or Construction to other agencies.


18 Section 2: That the City Manager or his/her designee is authorized to execute all Contracts
19 awarded in accordance with this Resolution.

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21 Section 3: That Resolution No. 22576, and all amendments thereto, is hereby repealed.
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1 ADOPTED by the City Council this 19th day of December, 2017.

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3 
4 WILLIAM R. BAILEY III
5 Mayor of the City of Riverside

6 Attest:

7 
8 COLLEEN J. NICOL
9 City Clerk of the City of Riverside

10 I, Colleen J. Nicol, City Clerk of the City of Riverside, California, hereby certify that the
11 foregoing resolution was duly and regularly adopted at a meeting of the City Council of said City
12 at its meeting held on the 19th day of December 2017, by the following vote, to wit:


13 Ayes: Councilmembers Gardner, Melendrez, Soubrouse, Conder, Mac Arthur,
14 Perry, and Adams
15

16 Noes: None

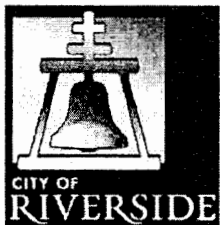
17 Absent: None

18 Abstained: None

19 IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the
20 City of Riverside, California, this 20th day of December, 2017.

21
22 
23 COLLEEN J. NICOL
24 City Clerk of the City of Riverside

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28



AUTHORITY OF BOARD OF PUBLIC UTILITIES/MEASURE MM

City Attorney's Office

Inclusiveness, Community Engagement, and
Governmental Processes Committee

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1

City Charter Section 1202

(b) Authorize, and let public works contracts in compliance with Section 1109, within the limits of the budget of the Department of Public Utilities, any purchase of equipment, materials, supplies, goods or services, or any acquisition, construction, improvement, extension, enlargement, diminution, or curtailment of all or any part of any public utility system when the amount exceeds \$50,000, and authorize the City Manager, or his designee, to execute contracts or issue purchase orders for the same.



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2

Measure MM

"Shall the Charter of the City of Riverside be amended to (1) allow the board of public utilities to award and execute contracts for construction, goods or services for the public utility; (2) allow the director of public utilities to approve work to be done at the customers' request and expense; and (3) allow the director of public utilities to negotiate and execute contracts with individual retail customers for utility services?"



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3

Measure MM

Sec. 1202. Same--Powers and duties.

(b) Authorize, and let public works contracts in compliance with Section 1109, within the limits of the budget of the department of public utilities, any purchase of equipment, materials, supplies, goods or services, or any acquisition, construction, improvement, extension, enlargement, diminution, or curtailment of all or any part of any public utility system when the amount exceeds \$50,000, and authorize the City Manager, or his designee, to execute contracts or issue purchase orders for the same.



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4

Board of Public Utilities Authority

1. Award constructions projects
2. Approve contracts for procurement of goods
3. Approve Contracts for all services
4. Direct City Manager to execute those agreements for such procurements/ awards

Limitation: Budgeted funds must be available



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